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THE HISTORY
OF
BRITISH COMMERCE,

From the Earliest Times.

REPRINTED FROM
THE PICTORIAL HISTORY OF ENGLAND;
WITH CORRECTIONS, ADDITIONS,
AND A CONTINUATION TO THE PRESENT DAY.

By GEO. L. CRAIK, M.A.

IN THREE VOLUMES.—VOL. I.

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C O N T E N T S.

CHAPTER I.

	Page
Before and during the Roman Occupation	9

CHAPTER II.

The Anglo-Saxon Period. A.D. 449—1066	52
---	----

CHAPTER III.

From the Norman Conquest to the Death of King John. A.D. 1066—1216	88
---	----

CHAPTER IV.

From the Accession of Henry III. to the End of the Reign of Richard II. A.D. 1216—1399	120
---	-----

CHAPTER V.

From the Accession of Henry IV. to the End of the Reign of Richard III. A.D. 1399—1485	159
---	-----

CHAPTER VI.

From the Accession of Henry VII. to the End of the Reign of Elizabeth. A.D. 1485—1603	199
--	-----

HISTORY OF BRITISH COMMERCE.

CHAPTER 1.

BEFORE AND DURING THE ROMAN OCCUPATION.

THE small beginnings, hidden in the depths of ancient time, of that which has become so mighty a thing as British commerce, have an interest for the imagination, the same in kind with that belonging to the discovery of the remote spring or rill which forms the apparently insignificant source of some famous river, but as much higher in degree as the history of human affairs is a higher study than the history of inanimate nature.

The Phœnicians, the great trading people of antiquity, are the first foreigners who are recorded to have opened any commercial intercourse with the British islands. There are some facts which make it probable that this extremity of the globe was visited even by the navigators of the parent Asiatic states of Sidon and Tyre. Tin, a product then to be obtained only from Britain and Spain, was certainly used in considerable quantities by the civilized nations of the earliest times. It was the alloy with which, before they attained the knowledge of the art of giving a high temper to iron, they hardened copper, and made it serve for warlike instruments and many other purposes. A mixture of copper and tin, in due proportions, was perhaps fitted, indeed, to take a sharper edge as a sword or spear than could have been given to iron itself, for a long time after the latter metal came to be known and wrought. It is certain at least that swords and other weapons fabricated of the compound metal continued to be used long after the introduction of iron.

This composition was really what the Greeks called *chalcos* and the Romans *aes*, although these words have usually been improperly translated brass, which is compounded not of copper and tin, but of copper and zinc. There is no reason to suppose that zinc was at all known to the ancients; and, if so, brass, properly so called, was equally unknown to them. What is commonly called the brass of the Greeks and Romans, being, as we have said, a mixture of copper and tin, is not brass, but bronze. This is the material, not only of the ancient statues, but also of many of their other metallic articles both ornamental and useful. It was of this, for instance, that they fabricated the best of their mirrors and reflecting specula; for the composition, in certain proportions, is capable of taking a high polish, as well as of being hammered or filed to a sharp and hard edge in others. This also is the material of which so many of the Celtic antiquities are formed, and which on this account is sometimes called Celtic brass, although it might with as much propriety be called Greek brass, or Roman brass. In like manner the swords found at Cannæ, which are supposed to be Carthaginian, are of bronze, or a composition of copper and tin. Tin, too, is supposed, with much probability, to have been used by the Phœnicians at a very early period in those processes of dyeing cloth for which Tyre in particular was so famous. Solutions of tin in various acids are still applied as mordants for fixing colours in cloth. Tin is understood to be mentioned under the Hebrew term *bedil*, in the Book of Numbers;* and, as all the other metals supposed to have been then known are enumerated in the same passage, it would be difficult to give another probable translation of the word. The lexicographers derive it from *bedil*, to separate; tin, they say, being a separating metal. This would carry the knowledge and use of tin back to a date nearly 1500 years antecedent to the commencement of our era. At a much later date, the prophet Ezekiel is supposed to mention it under the same name as one of the commodities in which Tyre traded with Tarshish, probably a general appellation for the coun-

* *xxxii. 22.*

ing beyond the Pillars of Hercules. The age of is placed nearly six centuries before the birth of but we have evidence of the knowledge and em- ment of tin by the Phoenicians at a much earlier pe- the account of the erection and decoration of the of Solomon, the principal workmen employed in —and among the rest the makers of the articles of that is, bronze, and other metals—were brought yre.

oldest notice, or that at least professing to be from the oldest sources, which we have of the ian trade with Britain, is that contained in the e of the voyage of the Carthaginian navigator Hi- which is given us by Festus Avienus.* This is supposed to have been performed about 1000 efore the commencement of our era. Himilco is o have reached the Isles of the Cestrymnides within n four months after he had set sail from Carthage. doubt can be entertained, from the description of their position and of other circumstances, that were the Scilly Islands. The Cestrymnides are by Avienus in the neighbourhood of Albion and and, being two days' sail from the latter. They ch, he says, in tin and lead (*metallo divites stanni lumbi*). The people are described as being nu- high-spirited, active, and eagerly devoted to yet they had no ships built of timber wherewith their voyages, but in a wonderful manner effected ay along the water in boats constructed merely of wed together. We must suppose that the skins or ere distended by wickerwork which they covered, h that is not mentioned. There are well authen- accounts of voyages of considerable length made in ssels as those here described at a much later period.

observable that in this relation neither the Ces- les, nor the Sacred Isle of the Hiberni, nor that of iones in its neighbourhood, appear to be spoken ienus wrote his work, entitled "Ora Maritima," in umbic verse in the fourth century; but he states that his information from the ancient Punic records.

of as discoveries made by Himilco ; on the contrary, the Isle of the Hiberni is described as known by the epithet of the Sacred Isle to the ancients, and the resort for the purposes of traffic to the Cestrymnides is declared to have been a custom of the inhabitants of Tartessus and Carthage.

No mines of any kind are now wrought in the Scilly islands ; but they present appearances of ancient excavations, and the names of two of them, as Camden has remarked, seem to intimate that mining had been at one time carried on in them. They may in early times have produced lead as well as tin ; or, these metals here obtained by the Phoenicians, or their colonists of Tartessus and Carthage, may have been brought from the neighbouring peninsula of Cornwall, which produces both, and which besides was most probably itself considered one of these islands. Pliny, it may be noted, has preserved the tradition, that the first person who imported lead (*plumbum*—by which name, however, he designates both lead and tin) from the island of Cassiteris was Midacritus,* which has been supposed to be a corruption of Melicartus, the name of the Phœnician Hercules. Cassiteris means merely the land of tin, that metal being called in Greek *cassiteron*.

The next notice which we have of the trade of the Phœnicians, or their colonists, with Britain, is that preserved by Strabo. His account is, that the traffic with the isles called the Cassiterides, which he describes as being ten in number, lying close to one another, in the main ocean north from the Artabri (the people of Gallicia), was at first exclusively in the hands of the Phœnicians of Gades, who carefully concealed it from all the rest of the world. Only one of the ten islands, he states, was uninhabited ; the people occupying the others wore black cloaks, which were girt about the waist and reached to their ankles : they walked about with sticks in their hands, and their beards were as long as those of goats. They led a pastoral and wandering life. He expressly

* Nat. Hist. VII. 57.

mentions their mines both of tin and lead, and these metals, he adds, along with skins, they give to the foreign merchants who resort to them in exchange for earthenware, salt, and articles of bronze.

We may here observe that the geographer Dionysius Periegetes gives the name of the Isles of the Hesperides to the native country of tin, and says that these isles, which he seems to place in the neighbourhood of Britain, are inhabited by the wealthy descendants of the famous Iberians. It is remarkable that Diodorus Siculus describes the Celtiberians, or Celts of Spain, as clothed in black and shaggy cloaks, made of a wool resembling the hair of goats, thus using almost the same terms which Strabo employs to describe the dress of the people of the Cassiterides. The chief island of the Scilly group is called Silura by Solinus; and perhaps the original occupants of these isles were the same Silures who are stated to have afterwards inhabited South Wales, and whose personal appearance Tacitus has expressly noted as betokening a Spanish origin.

It was undoubtedly through the extended commercial connexions of the Phoenicians that the metallic products of Britain were first distributed over the civilized world. A regular market appears to have been found for them by these enterprising traffickers in some of the most remote parts of the earth. Both Pliny and Arrian have recorded their exportation to India, where the former writer says they were wont to be exchanged for precious stones and pearls. It is probable that this commerce was at one time carried on, in part at least, through the medium of the more ancient Palmyra, or Tadmor of the Desert, as it was then called, which is said to have been founded by Solomon a thousand years before our era.*

* See in Maurice's Indian Antiquities, vol. vi. pp. 249, &c., a "Dissertation on the Commerce carried on in very remote ages by the Phoenicians, Carthaginians, and Greeks, with the British Islands, for their ancient staple of tin, and on their extensive barter of that commodity with those of the Indian Continent; the whole confirmed by extracts from the Institutes of Menu, &c." The extracts from the

The Phœnicians, and their colonists settled in Africa and the south of Spain, appear to have retained for a long period the exclusive possession of the trade with the British islands, even the situation of which they contrived to keep concealed from all other nations. It appears from Herodotus, that, in his time, about four centuries and a half before the birth of Christ, although his countrymen knew that tin came from certain islands which, on that account, went by the name of the Cassiterides, or Tin Isles, yet all that was known of their situation was, that they lay somewhere in the north or north-west of Europe. It is generally supposed that the first Greek navigator who penetrated into the seas in this part of the world was Pytheas of Marseilles, who appears to have flourished about a hundred years after the time of Herodotus. From this celebrated colony of Marseilles something of the Greek civilization seems early to have radiated to a considerable distance over the surrounding regions ; but whether there ever was any direct intercourse between Marseilles and Britain we are not informed. The only accounts of the trade which have come down to us, represent it as carried on through the medium of certain ports on the coast of Gaul nearest to our island ; and we are probably to understand that the ships and traders belonged, not to Marseilles, but to these native Gallic towns. From the north-west coast of Gaul, the tin and lead seem to have been for a long time transported across the country to Marseilles by land carriage.

Strabo relates, on the authority of Polybius, that, when Scipio Africanus the younger made inquiry respecting the tin islands of the people of Marseilles, they professed to be totally ignorant of where they lay. From this we must infer, either that the Massilians had adopted the policy of the Carthaginians with regard to the navigation to these isles, and studiously concealed what they knew of them, or, what is more probable, that they really knew

Institutes of Menu, however, hardly deserve this formal announcement; and the essay, altogether, is, like everything else of this author's, a very flimsy performance.

nothing of the countries from which their tin came, the trade being, in fact, carried on, as we have just supposed, through the medium of the merchants of the north-west coast of Gaul. The Romans, according to the account given by Strabo in another place, had made many endeavours to discover the route to these mysterious isles, even while the trade was still in the exclusive possession of the Carthaginians. He relates, that, on one occasion, the master of a Carthaginian vessel finding himself pursued, while on his way to the Cassiterides, by one whom the Romans had appointed to watch him, purposely ran his vessel aground, and thus, although he saved his life, sacrificed his cargo; the value of which, however, was repaid to him, on his return home, out of the public treasury. But the Romans, he adds, at length succeeded in discovering the islands, and getting the tin trade, or at least a part of it, into their own hands. As Strabo died A.D. 25, this commercial intercourse of the Romans with the south-west of Britain must have long preceded the invasion of the south-eastern part of the country by Claudius, and may very possibly have preceded even the earlier invasion by Cæsar. It is remarkable that Strabo does not speak of it as having been a consequence of, or in any degree connected with, the last-mentioned event. He says, that some time after its commencement a voyage was made to the island by a Roman navigator of the name of Publius Crassus, who, finding the inhabitants of a pacific disposition, and also fond of navigation, gave them some instructions, as the words seem to imply, for carrying it on upon a larger scale. This passage has attracted less attention than it would seem to deserve; for, if the Cassiterides be, as is generally supposed, the Scilly Islands, we have here the first notice of any commercial intercourse carried on with Britain by the Romans, and a notice which must refer to a date considerably earlier than that at which it is usually assumed that the country first began to be resorted to by that people.

We are inclined to believe, however, that the trade of the Romans with the Cassiterides was entirely confined

to their colonial settlements in the south of Gaul. Of these the city of Narbonne, situated about as far to the west of the mouth of the Rhone as the Greek city of Marseilles stood to the east of it, was the chief, as well as one of the oldest, having been founded about the year b.c. 120. The historian Diodorus Siculus, who was contemporary with Julius Cæsar, has given us an account of the manner in which the trade between Britain and Gaul was carried on in his day, which, although it does not expressly mention the participation of either the Romans or any of their colonies, at least shows that the Cassiterides and the island of Britain had become better known than they were a hundred years before in the time of the younger Scipio. Diodorus mentions the expedition of Cæsar, of which he promises a detailed account in a part of his history now unfortunately lost; but he tells us a good many things respecting the island, the knowledge of which could not have been obtained through that expedition. We must, therefore, suppose that he derived his information either through an intercourse with the country which had arisen subsequent to and in consequence of Cæsar's attempt, or, as is much more probable, from the accounts of those by whom the south-western coast had been visited long before. Indeed, various facts concur to show that, however ignorant of Britain Cæsar himself may have been when he first meditated his invasion, a good deal was even then known about it by those of the Greeks and Romans who were curious in such inquiries. Cæsar notices the fact of tin, or white lead, as he calls it, being found in the country; but he erroneously places the stores of this mineral in the interior (*in mediterraneis regionibus*), probably from finding that they lay a great distance from the coast at which he landed; and he does not seem to have any suspicion that this was really the famous Land of Tin, the secret of whose situation had been long guarded with such jealous care by its first discoverers, and which his own countrymen had made so many anxious endeavours *to find out.* But a century and a half before this date Polybius, as he tells us himself, had intended to write

respecting Britain ; and Strabo informs us that the great historian had actually composed a treatise on the subject of the British Islands, and the mode of preparing tin. His attention had probably been drawn to the matter by the inquiries of his friend Scipio ; for Polybius, as is well known, was the companion of that celebrated general, in several of his military expeditions and other journeys. No doubt, although the people of Marseilles were unwilling or unable to satisfy the curiosity of the travellers, they obtained the information they wanted from some other quarter.* And in the title of this lost

* Camden has here expressed himself in a manner singularly contrasting with his customary, and, it may be justly added, characteristic accuracy. First, in order to prove "that it was late before the name of the Britons was heard of by the Greeks and Romans," he quotes a passage from Polybius, which in the original only implies that it was doubtful whether the north of Europe was entirely encompassed by the sea, but which he renders as if it asserted that nothing was known of Europe to the north of Marseilles and Narbonne at all. Polybius has, in fact, himself described many parts of Gaul to the north of these towns. Next he makes the historian to have been the friend, not of the younger, but of the elder Africanus, and to have travelled over Europe not about B.C. 150, but 370 years before Christ. Even if he had been the contemporary of the elder Scipio, this would be a monstrous mistake. The whole of this passage in Camden, however (it is in his chapter on the Manners of the Britons), is opposed to his own opinions as expressed in other parts of his work. The authority of Festus Avienus, which he here disclaims, he elsewhere makes use of very freely (see his chapter on the Scilly islands, at the end of the Britannia). And, whereas he contends here that Britain had never been heard of by the Greeks till a comparatively recent date, he has a few pages before a long argument to prove that it must have been known "to the most ancient of the Greeks." In the same chapter (on the Name of Britain) he quotes a passage from Pliny, in which that writer characterizes the island as famous in the writings (or records, as it may be translated) of the Greeks and Romans—"clara Græcis nostrisque monumentis."

treatise of Polybius, as quoted by Strabo, it is important to remark that we find the tin country distinctly recognized as being the British Islands, the vague or ambiguous name of the Cassiterides being dropped. It is so, likewise, in the account given by Diodorus. That writer observes that the people of the promontory of Bolerium (the Bolerium of Ptolemy, and our present Land's End) were much more civilized than the other British nations, in consequence of their intercourse with the great number of foreign traders who resorted thither from all parts. This statement, written subsequently to Cæsar's expedition, warrants us in receiving that writer's assertion as to the superior refinement of the inhabitants of Kent as true only in a restricted sense. In fact, there were two points on the coast of the island separated by a long distance from each other, at which the same cause, a considerable foreign commerce and frequent intercourse with strangers, had produced the same natural effect. Diodorus goes on to describe the manner in which these ancient inhabitants of Cornwall prepared the tin which they exported. To this part of his description we shall afterwards have occasion to advert. After the tin has been refined and cast into ingots, he says, they convey it in wheeled carriages over a space which is dry at low water, to a neighbouring island, which is called Ictis ; and here the foreign merchants purchase it, and transport it in their ships to the coast of Gaul. The Ictis of Diodorus has, by the majority of recent writers, been assumed to be the Isle of Wight, the Uectis of Ptolemy, and the Vectis or Vecta of some of the Latin writers. But this seems to us altogether an untenable supposition. It is impossible to believe either that Diodorus would call the Isle of Wight an island in the neighbourhood of the promontory of Bolerium, seeing that it is distant from that promontory about 200 miles, or that the people of Bolerium, instead of carrying down their tin to their own coast, would make a practice of transporting it by land carriage to so remote a point. Least of all is it possible to conceive how a journey could be accomplished by wheeled carriages from the Land's End to the

Isle of Wight over the sands which were left dry at low water, as Diodorus says was the case. There can be no doubt whatever that Ictis was one of the Scilly Isles, between which group and the extremity of Cornwall a long reef of rock still extends, part of which appears, from ancient documents, to have formed part of the main land at a comparatively recent date, and which there is no improbability in supposing may have afforded a dry passage the whole way in the times of which Diodorus writes. The encroachments of the sea have unquestionably effected extensive changes in that part of the British coast; and at a very remote period it is evident from present appearances, as well as from facts well attested by records and tradition, that the distance between the Scilly Isles and the main land must have been very much less than it now is. "It doth appear yet by good record," says a writer of the latter part of the sixteenth century, "that, whereas now there is a great distance between the Scyllan Isles and point of the Land's End, there was of late years to speak of scarcely a brook or drain of one fathom water between them, if so much, as by those evidences appeareth that are yet to be seen in the hands of the lord and chief owner of those isles."* Some of the islands may even have been submerged in the long course of years that has elapsed since the Ictis was the mart of the tin trade; and the numerous group of islets which we now see may very possibly be only the relics left above water of the much smaller number of a considerable size, which are described as forming the ancient Cassiterides. It may be added that, if the south-west coast of Brittany, where the maritime nation of the Veneti dwelt, was, as seems most probable, the part of the continent from which the tin ships sailed, the Isle of Wight was as much out of their way as of that of the people of Bolerium. The shortest and most direct voyage for the merchants of Vannes was right across to the very point of the British coast where the tin mines were. *It appears to us to admit of little doubt*

* *Harrison's Description of England*, b. iii. c. 7.

that the Ictis of Diodorus is the same island which, on the authority of the old Greek historian, Timæus, is mentioned by Pliny under the name of Mictis, and stated to lie six days' sail *inward (introrsus)* from Britain (which length of navigation, however, the Britons accomplished in their wicker boats), and to be that in which the tin was produced. It must no doubt have taken fully the space of time here mentioned to get to the Scilly Isles from the more distant parts even of the south coast of Britain.

Diodorus goes on to inform us that the foreign merchants, after having purchased the tin at the Isle of Ictis, and conveyed it across the sea to the opposite coast of Gaul, were then wont to send it overland to the mouth of the Rhone, an operation which consumed thirty days. At the mouth of the Rhone it was no doubt purchased by the merchants of Marseilles, and at a later period also by their rivals of Narbonne, if we are not rather to suppose that the Gallic traders who brought it from Britain were merely their agents. Cæsar, however, expressly informs us that the Veneti, who occupied a part of the present Bretagne, had many ships of their own, in which they were accustomed to make voyages to Britain. From the two great emporia in the south of France the commodity was diffused over all other parts of the earth, as it had been at an earlier period from Cadiz and the other Phœnician colonies on the south coast of Spain.

It appears from Strabo, however, that the operose and tedious mode of conveyance by land carriage from the coast of Brittany to the gulf of Lyons was eventually abandoned for other routes, in which some advantage could be taken of the natural means of transportation afforded by the country. By one of these, the British goods being brought to the mouth of the Seine, in Normandy, were sent up that river as far as it was navigable, and then, being carried on horses a short distance overland, were transmitted for the remainder of the way down the Rhone, and afterwards along the coast to Narbonne and Marseilles. It is probable enough

that the Isle of Wight, which is opposite to the mouth of the Seine, may have been used as the mart of the British trade in this navigation, for which purpose it was also well adapted as lying about midway between Cornwall and Kent, and being therefore more conveniently situated than any other spot both for the supply of the whole line of coast with foreign commodities, and for the export of native produce. When the route we are now describing came to be adopted for the British trade generally, even a portion of the tin of Cornwall may have found its way to this central dépôt. But, even after land carriage came to be displaced by river navigation, a large portion of the British trade still continued to be carried on from the west coast of Gaul, through the medium both of the Loire and the Garonne. The Loire seems to have been taken advantage of chiefly to convey the exports from Narbonne and Marseilles down to the sea-coast after they had been brought by land across the country from Lyons, to which point they had been sent up by the Rhone. The Garonne was used for the conveyance to the south of France of British produce, which was sent up that river as far as it was navigable, and thence carried to its destination over land.

This is nearly all that is known respecting the commercial intercourse of Britain with other parts of the world before the country became a province of the Roman empire. The traffic both with Carthage and the Phœnician colonies in the south of Spain had of course ceased long before Cæsar's invasion; at that date the only direct trade of the island was with the western and north-western coasts of Gaul, from the Garonne as far probably as to the Rhine; for, in addition to the passage of commodities, as just explained, to and from Provence, the Belgic colonists, who now occupied so large a portion of the maritime districts in the south of Britain, appear also from their first settlement to have kept up an active intercourse with their original seats on the continent which stretched to the last-mentioned river. The British line of communication, on the other hand, may be presumed to have extended from the Land's End to

the mouth of the Thames ; though it was probably only at two or three points in the course of that long distance that the continental vessels were in the habit of touching. There is no evidence that any of the vessels in which the trade with the continent was carried on belonged to Britain. The island in those days seems only to have been resorted to by strangers as the native place of certain valuable commodities, and to have maintained little or no interchange of visits with foreign shores. Even from this imperfect intercourse with the rest of the world, however, the inhabitants of all this line of coast must have been enabled to keep up, as we are assured they did, a very considerably higher degree of civilization than would be found among the back-woodsmen beyond them. It is to be remembered that no small amount of the commercial spirit may exist in a country which maintains no intercourse with foreigners except in its own ports. The situation of Britain in this respect, two thousand years ago, may be likened, indeed, to that of Spitzbergen or New Zealand at present ; but the same peculiarity, which at first sight seems to us so remarkable and so unnatural, characterizes the great commercial empire of China. There the national customs and the institutions of the government have done their utmost to discourage and restrain the spirit of commercial enterprise ; but that spirit is an essential part of the social principle, and as such is unextinguishable wherever the immutable circumstances of physical situation are not adverse to its development. Hence, although their laws and traditional morality have operated with so much effect as to prevent the people of China from pushing to any extent what may be called an aggressive commerce, that is to say, from seeking markets for their commodities in foreign countries, these adverse influences have not been able so far to overcome the natural incentives arising out of their geographical position as to induce them to refrain equally from what we may call admissive commerce, or indeed to be other than very eager followers of it. The case of *the early Britons* may have been somewhat similar. The *genius of most of the Oriental religions* seems to have

been opposed to foreign intercourse of every kind, the prohibition or systematic discouragement of which the priests doubtless regarded as one of their most important securities for the preservation of their influence and authority ; and very probably such may also have been the spirit of the Celtic or Druidical religion. It is remarkable, at least, that the well ascertained Celtic tribes of Europe, though distributed for the most part along the sea-coast, have never exhibited any striking aptitude either for navigation or for any employment in connexion with the sea.

The most particular account of the exports and imports constituting the most ancient British trade is that quoted above from Strabo, and it is probably not very complete. It only adds the single article of skins to the tin and lead mentioned by Festus Avienus and others. It is probable, however, that the island was known for a few other products besides these, even before the first Roman invasion. Cæsar expressly mentions iron as found, although in small quantities, in the maritime districts. And it appears from some passages in the Letters of Cicero, that the fame of the British war-chariots had already reached Rome. Writing to Trebatius, while the latter was here with Cæsar, b.c. 55, after observing that he hears Britain yielded neither gold nor silver, the orator playfully exhorts his friend to get hold of one of the *esseda* of the island, and make his way back to them at Rome with his best speed. In another epistle he cautions Trebatius to take care that he be not snatched up and carried off before he knows where he is, by some driver of one of these rapid vehicles. Strabo's account of the foreign commodities imported into Britain in those days is, that they consisted of earthenware, salt, and articles of bronze, which last expression is undoubtedly to be understood as meaning not mere toys, but articles of use, in the fabrication of which bronze, as we have explained above, was the great material made use of in early times. Cæsar also testifies that all the bronze made use of by the Britons was obtained from abroad. The metal, however, as we

shall presently have occasion to show, was probably imported to some extent in ingots or masses, as well as in manufactured articles. Much of the bronze which was thus brought to them, whether in lumps of metal, or in the shape of weapons of war and other necessary or useful articles, had no doubt been formed by the aid of their own tin. Neither the Britons themselves, nor any of the foreigners who traded with them at this early period, appear to have been aware of the abundant stores of copper which the island is now known to contain. Indeed the British copper-mines have only been wrought to any considerable extent in very recent times.

There is no reasonable ground for supposing, as some writers have done, that the ancient Britons possessed any description of navigating vessels, which could properly be termed ships of war. The notion has been taken up on an inference from a passage in Cæsar, or rather from a comparison of several passages, which the language of that writer rightly understood certainly does not at all authorize. Cæsar gives us in one place an account of a naval engagement which he had with the Veneti of western Gaul, whose ships appear, from his description, to have been very formidable military engines. In a preceding chapter he had informed us, that in making preparations for their resistance to the Roman arms, the Veneti, after fortifying their towns, and collecting their whole naval strength at one point, associated with them, for the purpose of carrying on the war, the Osismii, the Lexobii, and other neighbouring tribes, and also sent for aid out of Britain, which lay directly over against their coast. But it is not said that the assistance which they thus obtained, either from Britain or any other quarter, consisted of ships. It does not even appear that it consisted of seamen ; for, although it so happened that the war was terminated by the destruction of the naval power of the Veneti in the engagement we have just mentioned, preparations had evidently been made in the *first instance* for carrying it on by land as well as by sea. *The supposition that the Britons possessed any ships at all resembling the high-riding, strong-timbered, iron-bound*

vessels of this principal maritime power of Gaul—provided, amongst other things, Cæsar assures us, with chain cables (*anchoræ, pro funibus, ferreis catenis revinctæ*)—is in violent contradiction to the general bearing of all the other recorded and probable facts respecting the condition of our island and its inhabitants at that period. There is no evidence or reason for believing that they were masters of any other navigating vessels than open boats, of which it may be doubted if any were even furnished with sails. Their common boat appears to have been what is still called the currach by the Irish, and the coracle (*cwrwgyl*) by the Welsh, formed of osier twigs, covered with hide. The small boats yet in use upon the rivers of Wales and Ireland are in shape like a walnut-shell, and rowed with one paddle. Pliny, as already noticed, quotes the old Greek historian Timæus, as affirming that the Britons used to make their way to an island at the distance of six days' sail in boats made of wattles, and covered with skins; and Solinus states that, in his time, the communication between Britain and Ireland was kept up on both sides by means of these vessels. Cæsar, in his history of the Civil War, tells us that, having learned their use while in Britain, he availed himself of them in crossing rivers in Spain; and we learn from Lucan, that they were used on the Nile and the Po, as well as by the Britons. Another kind of British boat seems to have been made out of a single tree, like the Indian canoes. Several of these have been discovered. In 1736 one was dug up from a morass called Lockermoss, in Dumfries, Scotland. It was seven feet long, dilated to a considerable breadth at one end; the paddle was found near it. Another, hollowed out of a solid tree, was seen by Mr. Pennant, near Rilblain. It measured eight feet three inches long, and eleven inches deep. In the year 1720 several canoes similar to these were dug up in the marshes of the river Medway, above Maidstone; one of them so well preserved as to be used as a boat for some time afterwards. On draining Martine Muir, or Marton Lake, in Lancashire, there were found sunk at the bottom eight canoes, each made

of a single tree, much like the American canoes.* In 1834 a boat of the same description was found in a creek near the village of North Stoke, on the river Arun, Sussex. It is now in the British Museum, and measures in length thirty-five feet four inches; in depth one foot ten inches; and in width, in the middle, four feet six inches. There are three bars left at the bottom, at different distances from each other, and from the ends, which seem to have served the double purpose of strengthening it and giving firm footing to those who rowed or paddled the canoe. It seems to have been made, or at least finished, by sharpened instruments, and not by fire, according to the practice of the Indians.†

Among the useful arts practised by the ancient Britons, they must be allowed to have had some acquaintance with those relating to the metals, but how much it is not easy to determine. Both Strabo and Diodorus Siculus have briefly noticed their mode of obtaining the tin from the earth. The former observes that Publius Crassus, upon his visit to the Cassiterides, found the mines worked to a very small depth. It may be inferred from this expression, that the only mining known to the natives was that which consisted in digging a few feet into the earth, and collecting what is now called the *stream* tin, from the modern process of washing and separating the particles of the ore thus lodged by directing over their bed a stream of water. No tools of which they were possessed could have enabled them to cut their way to the veins of metal concealed in the rocks. The language of Diodorus supports the same conclusion. He speaks of the tin as being mixed with earth when it is first dug out of the mine; but, from what he adds, it would appear that the islanders knew how to separate the metal from the dross by smelting. After it was thus purified, they prepared it for market by casting it into ingots in the shape of dice. What lead they had was no doubt procured in like manner from the surface of the soil or a very small depth under it. Pliny indeed expressly states that, even in

* *King's Munitamenta Antiqua*, vol. i. page 28, &c.

† *Archæologia*, vol. xxvi. p. 257, &c.

his time, this latter metal was found in Britain in great plenty lying thus exposed or scarcely covered.

There is reason to believe that some knowledge of the art of working in metals was possessed by the Britons before the Roman invasion. Moulds for spear, arrow, and axe heads have been frequently found both in Britain and Ireland;* and the discovery in 1735, on Easterly Moor, near York, of 100 axe-heads, with several lumps of metal and a quantity of cinders, may be considered sufficient testimony that at least the bronze imported into Britain was cast into shapes by the inhabitants themselves.† The metal of which the British weapons and tools were made has been chemically analyzed in modern times, and the proportions appear to be, in a spear-head, one part of tin to six of copper; in an axe-head, one of tin and ten of copper; and in a knife, one of tin to seven and a half of copper.‡

Whatever knowledge the Gauls possessed of the art of fabricating and dyeing cloth, the more civilized inhabitants of the South of Britain, having come originally from Gaul, and always keeping up a close intercourse with the people of that country, may be fairly presumed to have shared with them. The long dark-coloured mantles, in which Strabo describes the inhabitants of the Cassiterides as attired, may indeed have been of skins, but were more probably of some woollen texture. The Gauls are stated by various ancient authors to have both woven and dyed wool; and Pliny mentions a kind of felt which they made merely by pressure, which was so hard and strong, especially when vinegar was used in its manufacture, that it would resist the blow of a sword. Cæsar tells us that the ships of the Veneti of Gaul, notwithstanding their superior strength and size, had only skins for sails; and he expresses a doubt as to whether that material was not employed either from the want of

* *Archæologia*, vol. xiv. pl. iv. and vol. xv. pl. xxxiv.
Collectanea de Reb. Hibern. vol. iv. pl. x.

† *Borlase's Cornwall*, p. 287.

‡ *Meyrick's Original Inhabitants; and Philosophical Transactions for 1796*, p. 395, &c.

linen or ignorance of its use. At a somewhat later period, however, it appears from Pliny that linen cloth was fabricated in all parts of Gaul. The dyes which the Britons used for their cloth were probably extracted from the same plant from which they obtained those with which they marked their skin, namely, the *isatis*, or woad. "Its colour," says a late writer, "was somewhat like indigo, which has in a great degree superseded the use of it. . . . The best woad usually yields a blue tint, but that herb, as well as indigo, when partially deoxidated, has been found to yield a fine green. . . . The robes of the fanatic British women, witches, or priestesses, were black, *vestis feralis*; and that colour was a third preparation of woad by the application of a greater heat."** Woad is still cultivated for the purposes of dyeing in France, and also, to a smaller extent, in England.

Some of these facts would seem to afford us reason for suspecting that Britain was better known even to the Roman world before the two expeditions of Caesar than is commonly supposed, or than we should be led to infer from Cæsar's own account of those attempts. We may even doubt whether he was himself as ignorant of the country as he affects to have been. He may very possibly have wished to give to his achievement the air of a discovery as well as of a conquest. Tacitus appears to be disposed to claim for Agricola, a century and a half later, the honour of having first ascertained Britain to be an island, although even Cæsar professes no doubt about that point; and, from the language of every preceding writer who mentions the name of the country, its insular character must evidently have been well known from time immemorial. The Romans did nothing directly, and, notwithstanding all their conquests, little even indirectly, in geographical discovery; almost wherever they penetrated the Greeks or the Orientals had been before them; and any reputation gained in that field would naturally be valued in proportion to its rarity. *But, however this may be, Cæsar's invasion certainly*

* *Britannia after the Romans*, p. 56.

had the immediate effect of giving a celebrity to Britain which it had never before enjoyed. Lucretius, the oldest Roman writer who has mentioned Britain, is also, we believe, the only one in whose works the name is found before the date of Cæsar's visit. Of the interest which that event excited, the Letters of Cicero, to some passages of which we have already referred, written at the time both to his brother Quintus, who was in Cæsar's army, and to Atticus and his other friends, afford sufficient evidence. In the first instance, expectations seem to have been excited that the conquest would probably yield more than barren laurels; but these were soon dissipated. "It is ascertained," Cicero writes to Atticus, before the issue of the expedition was yet known at Rome, "that the approaches to the island are defended by natural impediments of wonderful vastness (*mirificis molibus*); and it is known too by this time that there is not a scruple of silver in that island, nor the least chance of booty, unless it may be from slaves, of whom you will scarcely expect to find any very highly accomplished in letters or in music."* So, also, in the epistle immediately following to the same correspondent, he mentions having had letters both from his brother and from Cæsar, informing him that the business in Britain was finished, and that hostages had been received from the inhabitants; but that no booty had been obtained, although a pecuniary tribute had been imposed (*imperata tamen pecunia*).

Although the island was not conquered by Cæsar, the way was in a manner opened to it, and its name rendered ever after familiar, by his sword and his pen. Besides, the reduction of Gaul, which he effected, removed the most considerable barrier between the Romans and Britain. After that, whether compelled to receive an imperial governor or left unattacked, it could not remain as much dissociated from the rest of the world and unvisited as before. A land of Roman arts, letters, and government,—of Roman order and magnificence, public and private,—now lay literally under the eyes of the

* Epist. ad Att. iv. 16.

natives of Britain ; and it was impossible that such a spectacle should have been long contemplated, and that the intercourse which must have existed between the two closely approaching coasts could have long gone on, without the ideas and habits of the formerly secluded islanders, semibarbarians themselves and encompassed by semibarbarians, undergoing some change. Accordingly, Strabo has intimated that, even in his time, that is to say, in the reign of Augustus, the Roman arts, manners, and religion had gained some footing in Britain. It appears also, from his account, that, although no annual payment under the obnoxious name of a tribute was exacted from the Britons by Augustus, yet that prince derived a considerable revenue, not only from the presents which were made to him by the British princes, but also by means of what would certainly now be accounted a very decided exercise of sovereignty over the island, the imposition of duties or customs upon exports and imports. To these imposts, it seems, the Britons submitted without resistance ; yet they must of course have been collected by functionaries of the imperial government stationed within the island, for it was a leading regulation of the Roman financial system that all such duties should be paid on goods exported before embarkation, and on goods imported before they were landed. If the duties were not paid according to this rule, the goods were forfeited. The right of inspection, and the other rights with which the collectors were invested to enable them to apportion and levy these taxes, were necessarily of the most arbitrary description ; and they must have been even more than ordinarily so in a country where the imperial government was not established, and there was no regular superintending power set over them. Strabo says that a great part of Britain had come to be familiarly known to the Romans through the intercourse with it which was thus maintained.

All this implies, that the foreign commerce of the *island* had already been considerably extended ; and *such accordingly is* proved to have been the case even by the catalogue—probably an incomplete one—of its

exports and imports which Strabo gives us. Among the former he mentions gold, silver, and iron, but, strangely enough, neither lead nor tin; corn, cattle, skins,—including both hides of horned cattle and the skins and fleeces of sheep,—and dogs, which he describes as possessing various excellent qualities. In those days slaves were also obtained from Britain as they now are from the coast of Africa; and it may be suspected, from Cicero's allusion already quoted, that this branch of trade was older even than Cæsar's invasion. Cicero seems to speak of the slaves as a well-known description of British produce. These several kinds of raw produce the Britons appear to have exchanged for articles the manufacture of which was probably of more value than the material, and which were, for the greater part, rather showy than useful. The imports enumerated by Strabo are ivory bridles, gold chains, cups of amber, drinking glasses, and a variety of other articles of the like kind. Still, all these are articles of a very different sort from the brass buttons and glass beads, by means of which trade is carried on with savages.

After the establishment of the Roman dominion in the country, its natural resources were no doubt much more fully developed, and its foreign trade both in the way of exportation and importation, but in the latter more especially, must have assumed altogether a new aspect. The Roman colonists settled in Britain of course were consumers of the same necessaries and luxuries as in other parts of the empire; and such of these as could not be obtained in the country were imported for their use from abroad. They must have been paid for, on the other hand, by the produce of the island, of its soil, of its mines, perhaps of its seas, and by the native manufactures, if there were any of these suited to the foreign market.

The chief export of Roman Britain, in the most flourishing times of the province, appears to have been corn. This island, indeed, seems eventually to have come to be considered in some sort as the Sicily of the northern part of the empire; and in the fourth century we find the

armies of Gaul and Germany depending in great part for their subsistence upon the regular annual arrivals of corn from Britain. It was stored in those countries for their use in public granaries. But on extraordinary emergencies a much greater quantity was brought over than sufficed for this object. The historian Zosimus relates that in the year 359, on the Roman colonies situated in the Upper Rhine having been plundered by the enemy, the Emperor Julian built a fleet of 800 barks, of a larger size than usual, which he dispatched to Britain for corn ; and that they brought over so much that the inhabitants of the plundered towns and districts received enough not only to support them during the winter, but also to sow their lands in the spring, and to serve them till the next harvest. It is probable also that Britain now supplied the continental parts of the empire with other agricultural produce as well as grain. No doubt its cattle, which were abundant even in the time of Cæsar, frequently supplied the foreign market with carcasses as well as hides, and were also exported alive for breeding and the plough. The British horses were highly esteemed by the Romans both for their beauty and their training. Various Latin poets, as well as the geographer Strabo, have celebrated the pre-eminence of the British dogs above all others both for courage, size, strength, fleetness, and scent.* Cheese, also, which the natives, when they first became known to the Romans, are said not to have understood how to make, is stated to have been afterwards exported from the island in large quantities. The chalk of Britain, and probably also the lime and the marl, seem to have been held in high estimation abroad ; and an altar or votive stone is related to have been found in the seventeenth century at Domburgh, in Zealand, with an inscription testifying it to have been dedicated to a goddess named Nehalennia, for her preservation of his freight, by Secundus Silvanus, a British chalk-merchant (*Negociator Cretarius Britannianicus*).

* See a curious collection of these testimonies in *Camden's Britannia*, by Gibson, i. 139-40. See also *Harrison's Description of England*, B. iii. c. 7.

We may fairly presume that the trade in the ancient metallic products of the island, tin and lead, was greatly extended during the Roman occupation. It seems to have been then that the tin-mines first began to be worked to any considerable depth, or rather that the metal began to be procured by any process which could properly be called mining. It has been supposed that convicted criminals among the Romans used to be condemned to work in the British mines. Roman coins, and also blocks of tin, with Latin inscriptions, have been found in the old tin-mines and stream-works of Cornwall. The British Museum contains several pigs of lead stamped by the Romans, which have been discovered in different parts of the country. Britain then, as now, seems to have produced much more lead than all the rest of Europe. But we have no direct information as to any actual exports of the metals from Britain in the Roman times, and can merely infer the fact from the mention which we find made of them as important products of the country, and from the other evidences we have that they were then obtained in considerable quantities. On these grounds it has been supposed that supplies were in those days obtained from Britain not only of lead and tin, but also of iron, and even of the precious metals. Tacitus expressly mentions gold and silver as among the mineral products of the island.*

The same writer adds that Britain likewise produces pearls, the colour of which, however, is dusky and livid; but this he thinks may probably be attributed to the unskilfulness of the gatherers, who do not pluck the fish alive from the rocks, as is done in the Red Sea, but merely collect them as the sea throws them up dead. The pearls of Britain seem to have very early acquired celebrity. A tradition is preserved by Suetonius that Julius Cæsar was tempted to invade the island by the hope of enriching himself with its pearls; and Pliny speaks of a shield studded with British pearls which, after his expedition, he dedicated to Venus, and sus-

* Agric. 12.

pended in her temple at Rome. Solinus affirms that the fact of the pearls being British was attested by an inscription on the shield, which agrees very well with Pliny's expression, that Cæsar wished it to be so understood. The oldest Latin writer, we believe, who mentions the British pearls is Pomponius Mela, who asserts that some of the seas of Britain generate pearls and gems. They are also mentioned in the second century by Aelian in his History of Animals, and by Origen in his Commentary on St. Matthew, who, although he describes them as somewhat cloudy, affirms that they were esteemed next in value to those of India. They were, he says, of a gold colour. Some account of the British pearls is also given in the fourth century by Marcellinus, who describes them, however, as greatly inferior to those of Persia. In the same age the poet Ausonius mentions those of Caledonia under the poetical figure of the white shell-berries.* But the British pearls have also been well known in modern times. Bede notices them as a product of the British seas and rivers in the eighth century. There is a chapter upon those found in Scotland, in the description of that country prefixed to Hector Boece's History, in which the writer gives an account of the manner of catching the fish in his time (the beginning of the sixteenth century). It is very different from that which Tacitus has noticed, as will appear from the passage, which is thus given in Harrison's English translation:—"They are so sensible and quick of hearing, that, although you, standing on the brae or bank above them, do speak never so softly, or throw never so small a stone into the water, yet they will descry you, and

* Ausonius, in Mosella. His expression is, "Albentes concharum germina baccas;" literally, the white berries, the buds of shells. This appears to be the origin of the verse "Gignit et insignes antiqua Britannia baccas," quoted by Camden, and by other writers after him, from Marbodaeus, a Frenchman of the eleventh century, who wrote a Latin poem entitled "De Gemmarum Lapidumque preciosorum formis, natura, et viribus." Of course a writer of that age can be no authority in this case.

settle again to the bottom, without return for that time. Doubtless they have, as it were, a natural carefulness of their own commodity, as not ignorant how great estimation we mortal men make of the same amongst us ; and, therefore, so soon as the fishermen do catch them, they bind their shells together, for otherwise they would open and shed their pearls, of purpose for which they know themselves to be pursued. Their manner of apprehension is this ; first, four or five persons go into the river together, up unto the shoulders, and there stand in a compass one by another, with poles in their hands, whereby they rest more surely, sith they fix them in the ground, and stay with one hand upon them ; then, casting their eyes down to the bottom of the water, they espy where they lie by their shining and clearness, and with their toes take them up (for the depth of the water will not suffer them to stoop for them), and give them to such as stand next them.” The Scotch pearls, according to Boece, were engendered in a long and large sort of mussel, called the horse-mussel. On the subject of the origin of the pearl he follows Pliny’s notion. These mussels, he says, “ early in the morning, in the gentle, clear, and calm air, lift up their upper shells and mouths a little above the water, and there receive of the fine and pleasant breath or dew of heaven, and afterwards, according to the measure and quantity of this vital force received, they first conceive, then swell, and finally product the pearl.” “ The pearls that are so got in Scotland,” he adds, “ are not of small value ; they are very orient and bright, light and round, and sometimes of the quantity of the nail of one’s little finger, as I have had and seen by mine own experience.” In his own Description of England, also, written about the middle of the sixteenth century, Harrison notices those still to be found in that part of the island. He accounts for their having fallen into disrepute in a curious way. “ Certes,” he writes, “ they are to be found in these our days, and thereto of divers colours, in no less numbers than ever they were of old time. Yet are they not now so much desired because of their smallness, and also for other causes,

but especially sith church-work, as copes, vestments, albes, tunicles, altar-cloths, canopies, and such trash are worthily abolished, upon which our countrymen superstitiously bestowed no small quantities of them. For I think there were few churches or religious houses, besides bishops' mitres, books, and other pontifical vestures, but were either thoroughly fretted or notably garnished with huge numbers of them." He adds, "I have at sundry times gathered more than an ounce of them, of which divers have holes already entered by nature, some of them not much inferior to great peason (peas) in quantity, and thereto of sundry colours, as it happeneth among such as are brought from the easterly coast to Saffron Walden in Lent, when for want of flesh stale stinking fish and welked mussels are thought to be good meat, for other fish is too dear amongst us when law doth bind us to use it. They (pearls) are also sought for in the latter end of August, a little before which time the sweetness of the dew is most convenient for that kind of fish which doth engender and conceive them, whose form is flat, and much like unto a lempit. The further north, also, that they be found, the brighter is their colour, and their substances of better value, as Japidaries do give out." In another place, Harrison mentions, as found in England, what he calls mineral pearls, "which," he says, "as they are for greatness and colour most excellent of all other, so they are digged out of the main land, and in sundry places far distant from the shore." Camden, and his translator, Gibson, have given us an account of pearls found in the river Taw in their time. "The pearls of this river," says the latter, "are as large and well coloured as any we find in Britain or Ireland, and have probably been fished here ever since the Roman conquest, if not sooner." The writer goes on to inform us, that the British and Irish pearls are found in a large black mussel; that they are peculiar to rapid and strong rivers; and that they are common in Wales, in the North of England, in Scotland, and some parts of Ireland. They are called by the people of Caernarvonshire, *kretyn diliw*, or deluge.

shells. The mussels that contain pearls are generally known by being a little contracted, or contorted from their usual shape. A Mr. Wynn had a valuable collection of pearls, procured from the Conway, amongst which Gibson says that he noted a stool-pearl, of the form and bigness of a lesser button mould, weighing seventeen grains. A Conway pearl presented to the queen of Charles II., by her chamberlain, Sir Richard Wynn (perhaps of the family of this Mr. Wynn), is said still to be one of the ornaments of the British crown. Cauden also speaks of pearls found in the river Irt, in Cumberland. "These," he says, "the inhabitants gather up at low water; and the jewellers buy them of the poor people for a trifle, but sell them at a good price." Gibson adds (writing in the beginning of the last century), that not long since a patent had been granted to some persons for pearl-fishing in this river; but the pearls, he says, were not very plentiful here, and were most of the dull-coloured kind, called sand-pearl. Mention is made in a paper in the Philosophical Transactions, of several pearls of large size that were found in the sixteenth century in Ireland; among the rest, one that weighed thirty-six carats.* Pennant (*Tour in Scotland, 1769*) gives an account of a pearl-fishery then carried on in the neighbourhood of Perth, in Scotland, which, though by that time nearly exhausted, had, a few years before, produced between three and four thousand pounds' worth of pearls annually. An eminent naturalist, we observe, has recently expressed some surprise that the regular fisheries which once existed for this native gem should have been abandoned.† The pearl, however, though still a gem of price, is not now held in the same extraordinary estimation as in ancient times, when it appears, indeed, to have been considered more valuable than any other gem whatever. "The chief and topmost

* Phil. Trans. for 1693, p. 659.

† Swainson on the Zoology of England and Wales, in Macculloch's Statistical Account of the British Empire, vol. i. p. 160.

place," says Pliny, " among all precious things, belongs to the pearl."*

Another product of the British waters, which was highly prized by the luxurious Romans, was the oyster. From the manner in which the oysters of Britain are mentioned by Pliny, their sweetness seems to have been the quality for which they were especially esteemed.† Juvenal speaks of them as gathered at Rutupiae, now Richborough, near Sandwich.‡ Pliny also mentions as among the greatest delicacies of Britain a sort of geese which he calls *chenerotes*, and describes as smaller than the *anser*, or common goose.§

Solinus|| celebrates the great store found in Britain of the stone called the *gagates*, in English the black amber, or jetstone. This mineral, as may be seen from Pliny,¶ was held by the ancients to be endowed with a great variety of medical and magical virtues. Camden mentions it as found on the coast of Yorkshire. "It grows," he says, "upon the rocks, within a chink or cliff of them; and before it is polished looks reddish and rusty, but after, is really (as Solinus describes it) diamond-like, black, and shining." "Certain it is," says Harrison, "that even to this day there is some plenty to be had of this commodity in Derbyshire and about Berwick, whereof rings, salts, small cups, and sundry trifling toys are made; although in many men's opinions nothing so fine as that which is brought over by merchants daily from the main." Marbodaeus, however, gives the preference to the jets of Britain over those of all other countries.

The inhabitants of Britain under the Roman government no doubt carried on traffic with the other parts of the empire in ships of their own; and the province must be supposed to have possessed a considerable mercantile as well as military navy. It is of the latter only, however, that the scanty history of the island we have during the Roman domination has preserved any mention.

* Nat. Hist. ix. 54.

† Nat. Hist. ix. 29, and xxxii. 21.

‡ Sat. iv. 141.

§ Nat. Hist. x. 29.

|| Polyhistor, 22.

¶ Nat. Hist. xxxvi. 34.

A powerful maritime force was maintained by the Romans for the defence of the east, or, as it was called, the Saxon coast; and about the end of the third century we have the first example of an exclusively British navy under the sovereignty of the famous Carausius. The navy of Carausius must have been manned in great part by his own Britons; and the superiority which it maintained for years in the surrounding seas, preserving for its master his island empire against "the superb fleets that were built and equipped," says a contemporary writer,* "simultaneously in all the rivers of the Gauls to overwhelm him," may be taken as an evidence that the people of Britain had by this time been long familiar with ships of all descriptions.

Wholly uncultivated as the greater part of the country was when it was first visited by the Romans, it was most probably not unprovided with a few great highways, by which communication was maintained between one district and another. Cæsar could scarcely have marched his force even so far into the interior as he did, if the districts through which he passed had been altogether without roads. Rude and imperfect enough these British roads may have been, but still they must have been to a certain extent artificial; they must have been cleared of such incumbrances as admitted of being removed, and carried in a continuous line out of the way of marshes and such other natural impediments as could not be otherwise overcome. Tacitus would seem to be speaking of the native roads, when he tells us that Agricola, on preparing in his sixth summer to push into the regions beyond the Forth, determined first to have a survey of the country made by his fleet; because it was apprehended that the roads were infested by the enemy's forces. The old tradition is, that the southern part of the island was, in the British times, crossed in various directions by four great highways, still in great part to be traced, and known by the names of the Fosse, Watling-street, Ermine-street, and the Ichenild. The Fosse appears to

* The Orator Mamertinus, c. xii.; quoted in *Britannia after the Romans*, p. 10.

have begun at Totness, in Devonshire, and to have proceeded by Bristol, Cirencester, Chipping Norton, Coventry, Leicester, and Newark, to Lincoln. Watling-street is said to have commenced at Dover, to have proceeded thence through Kent, by Canterbury, to London ; then to have passed towards the north, over Hampstead Heath, to Edgeware, St. Alban's, Dunstable, Stoney Stratford, in Northamptonshire, along the west side of Leicestershire, crossing the Fosse near Bosworth, and hence to York and Chester-le-Street, in the county of Durham. Some carry it, in later times, from this point as far as to Lanark and Falkirk, in Scotland ; and others even to Caithness, at the extremity of the island. The Ermine-street is understood to have run from St. David's, in Wales, to Southampton, crossing the Fosse between Cirencester and Gloucester. The Ichenild is supposed by some to have been so called from having begun in the country of the Iceni, on the east coast. It is commonly thought to have crossed Watling-street, at Dunstable, and thence to have taken a north-easterly direction, through Staffordshire, to the west side of the island. The utmost, however, that can be conceded in regard to these roads being of British origin is, that lines of communication in such directions may have existed in the time of the Britons. It was the Romans, undoubtedly, by whom they were transformed into those elaborate and almost monumental works which their remains declare them to have been. Roads constructed to last for ever were laid down by that extraordinary people, as the first foundations of their empire, wherever they planted themselves, and seem to have been considered by them as the indispensable veins and arteries of all civilization. In Britain it is probable that they began their operations with the great native high roads, the course of which would be at least accommodated to the situation of the principal towns and other more important localities throughout the country. These they no doubt levelled, straightened, and paved, so as to fit them not only for the ordinary purposes of pedestrian and carriage communication, but also for the movements of large bodies of

infantry and cavalry in all weathers and in all seasons. But they formed also many new lines of road, leading from one to another of the many new stations which they established in all parts of the country. Caniden describes the Roman ways in Britain as running in some places through drained fens, in others through low valleys, raised and paved, and so broad that they admit of two carts easily passing each other. In this country, as elsewhere, the Roman roads were in great part the work of the soldiery, of whose accomplishments skill in this kind of labour was one of the chief. But the natives were also forced to lend their assistance ; and we find the Caledonian Galgacus, in Tacitus, complaining, with indignation, that the bodies of his countrymen were worn down by their oppressors, in clearing woods and draining marshes—stripes and indignities being added to their toils. To this sort of work also criminals were sentenced, as well as to the mines. The laws of the empire made special provision for the repair of the public ways, and they were given in charge to overseers, whose duty it was to see them kept in order. The ancient document called the Itinerary of Antoninus, enumerates fifteen routes or journeys in Britain, all of which we may presume were along regularly formed high-roads ; and probably the list does not comprehend the whole number of such roads that the island contained. In every instance the distances from station to station are marked in Roman miles ; and no doubt they were indicated on the actual road by milestones regularly placed along the line. Of these, the famous London stone, still to be seen leaning against the south wall of St. Swithin's church, in Cannon-street, London, is supposed to have been the first, or that from which the others were numbered along the principal roads, which appear to have proceeded from this point as from a centre. The Roman roads in Britain have undergone so many changes since their first formation, from neglect and dilapidation on the one hand, and from many repairs which they are known to have received long after the Roman times, and in styles of workmanship very different from the Roman, that the

mode in which they were originally constructed is in most cases not very easy of discovery. One of those which had probably remained most nearly in its primitive condition was that discovered by Sir Christopher Wren under the present Cheapside, London, while he was preparing to erect the church of St. Mary-le-Bow.

"Here," says the account in the *Parentalia*, "to his surprise, he sunk about eighteen feet deep through made ground, and then imagined he was come to the natural soil and hard gravel; but, upon full examination, it appeared to be a Roman causeway of rough stone, close and well rammed, with Roman brick and rubbish at the bottom for a foundation, and all firmly cemented. This causeway was four feet thick. Underneath this causeway lay the natural clay, over which that part of the city stands, and which descends at least forty feet lower." Wren eventually determined to erect the tower of the church upon the Roman causeway, as the firmest foundation he could obtain, and the most proper for the lofty and weighty structure he designed. Some of the other Roman roads in Britain, however, and especially those connecting some of the lines of military posts, were constructed in a more ambitious style of workmanship than appears to have been here employed—being paved, like the famous Appian way and others in Italy, with flat stones, although of different sizes, yet carefully cut to a uniform rectangular shape, and closely joined together. Some of our great roads still in use were originally formed by the Romans, or were used at least in the Roman times. One example is the great western road leading to Bath and Bristol, at least for a considerable part of its course.*

There has been much speculation and controversy on the subject of the description of Money in use among the ancient Britons. Caesar's statement is, distinctly, that

* In the "United Service Journal" for January, 1836, is an account of a survey of the Roman Road from Silchester to the station on the Thames called Pontes, made shortly before by the officers studying at the Senior Department of the Royal Military College.

they had no coined money. Instead of money, he says, they used pieces either of bronze or of iron, adjusted to a certain weight. There is some doubt, owing to the disagreement of the manuscripts, as to whether he calls these pieces of metal rings, or thin plates, or merely tallies or cuttings (*taleæ*) ; but the most approved reading is rings. A curious disquisition on this ring-money of the Celtic nations was published a few years ago by Sir William Betham.* Specimens of this primitive currency, according to Sir William, have been found in great numbers in Ireland, not only of bronze, but also of gold and silver. Sometimes the form is that of a complete ring, sometimes that of a wire or bar, merely bent till the two extremities are brought near to each other. In some cases the extremities are armed with flattened knobs, in others they are rounded out into cup-like hollows. Sometimes several rings are joined together at the circumferences ; other specimens consist of rings linked into one another. The most important peculiarity, however, distinguishing these curious relics, and that which Sir William Betham conceives chiefly proves them to have really served the purposes of money, is, that, upon being weighed, by far the greater number of them appear to be exact multiples of a certain standard unit. The smallest of gold which he had seen, he says, weighed twelve grains, or half a pennyweight ; and of others, one contained this quantity three times, another five, another ten, another sixteen, another twenty-two, another four hundred and eighty (a pound troy), and another five hundred and thirty-four. The case he affirms to be similar both with those of silver, and those of bronze. All, he says, with a very few exceptions, which may easily be accounted for on the supposition of partial waste or other injury, weigh each a certain number of half pennyweights. The smallest specimens even of the bronze ring-money are quite as accurately balanced as those of the more valuable metals ; and among these bronze specimens, indeed, he states, that, after having weighed a great many, he has

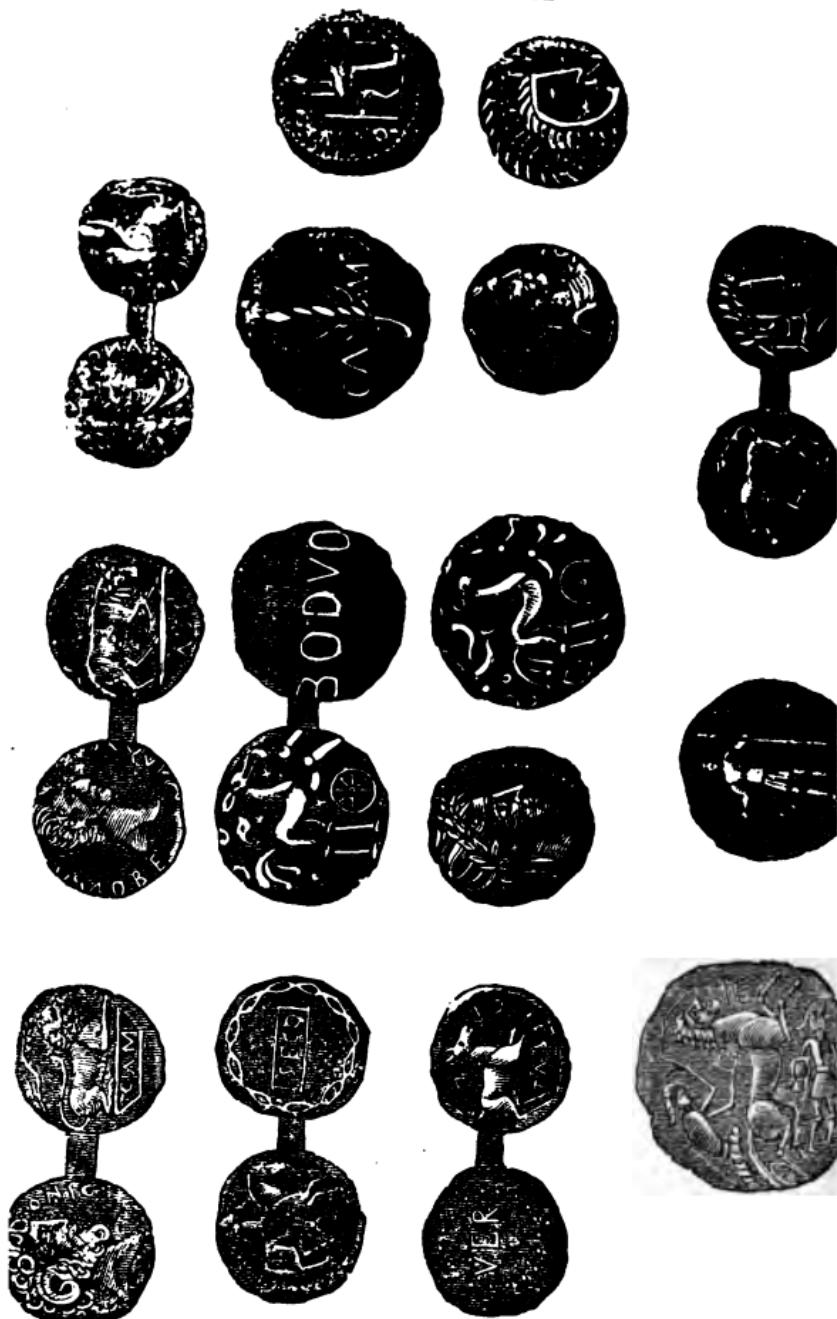
* Papers read before the Royal Irish Academy, 4to., Dublin, 1836.

never found a single exception to their divisibility into so many half pennyweights. It would thus appear that the ancient Celtic scale was the same with that which we now call troy weight. Sir William conjectures that the Latin *uncia*, an ounce, is the Celtic word *unsha*, which he says signifies one-sixth ; in which case we must suppose the original integral weight of which the ounce was a fraction to have been half our present pound troy. " To what remote period of antiquity," he observes, " do these singular facts carry us back ! To many ages before the time of Cæsar, or even Herodotus. The latter speaks of the Lydians as the first who coined metallic money, at least six centuries before our era. These are no visionary speculations ; we have here the remains and imperishable relics of those early times to verify the whole ; and recent investigations and discoveries, in a most singularly convincing manner, come to our aid, by showing that the fresco paintings in the tombs of Egypt exhibit people bringing, as tribute to the foot of the throne of Pharaoh, bags of gold and silver rings, at a period before the exodus of the Israelites." These rings, however, are not the only specimens that have been found of the substitutes used by the Britons before the introduction of coined money. Both in barrows and elsewhere there have been occasionally turned up hoards of what has all the appearance of being another species of primitive currency, consisting of small plates of iron, mostly thin and ragged, and without any impression.

Of British coined moncy the description which is apparently of greatest antiquity is that of which the specimens present only certain pictorial figures, without any legends or literal characters. Of this sort of coins a considerable collection was discovered about the middle of the last century, on the top of Carnbre Hill, in Cornwall. Of these, some were stamped with figures of horses, oxen, hogs, and sheep ; a few had such figures of animals on one side, and a head apparently of a royal personage on the other. All of them were of gold ; and *perhaps it was only money made of the more precious metals which it was thought necessary at first to take the*

trouble of thus impressing. When the convenience of the practice had been experienced, and perhaps its application facilitated, it would be extended to the bronze as well as to the gold and silver currency. Although even that point has been disputed, it may be admitted as most probable that the Carnbre coins were really British money, that is to say, that they were not only current in Britain, but had been coined under the public authority of some one or more of the states of the island. This we seem to be entitled to infer, from the emblematic figures impressed on them, which distinguish them from any known Gallie or other foreign coins, and are at the same time similar to those commonly found on what appears to be the British money of a somewhat later period. The questions, however, of when, where, and by whom they were coined, still remain. Although the figures upon them are peculiar, they still bear a general resemblance to the money, or what has been supposed to be the money, of the ancient Gauls; and, as well from this circumstance as from the whole character of the early British civilization, which appears to have been mainly borrowed from Gaul, we may presume that they were either fabricated in that country, or were at least the work of Gallic artists. It is remarkable that these coins are all formed of pure gold; and Diodorus Siculus informs us, that in no articles which they made of gold did the Gauls mix any alloy with the precious metal. As to their date, it would seem to be subsequent to the time of Cæsar, since, according to his account, as we have just seen, the Britons were then unacquainted with the use of coined money of any description; and it may be placed with most probability in the interval between his invasion and that of the Emperor Claudius—a period, as we have already endeavoured to show, during which British civilization must have made a very considerable, though unrecorded, progress.

Besides this merely pictured metallic money, however, there exist numerous British coins, or what bear the appearance of being such, which are marked not only with figures of various kinds, but also with legends in



EARLY BRITISH COINS.

Roman characters. One of these, from having the letters *Sego* inscribed upon it, has been attributed to Segonax, who is mentioned by Caesar as one of the four kings of Kent; but it is obvious that upon such an inference as this no reliance can be placed. The greater number of the coins in question bear, either in full or abbreviated, the name of Cunobelinus, who is said to have lived in the reign of Augustus. Some of these have the name *Cunobelin* at full length; one has *Cunobelinus Re*, the latter word being probably the Latin *Rex*; others have the abbreviations *Cun*, *Cuno*, *Cunob*, or *Cunobe*. Several have, in addition, what has been supposed to be the abbreviated name of their place of coinage; being most frequently *Cam*, or *Camu*, for Camulodunum, as it is conjectured; in one instance *Ver*, perhaps for Verulamium; in other cases *No*, or *Novane*, or *Novanit*, of which no probable interpretation has been given. And in addition to these inscriptions, the greater number present the singular word *Tascia*, or *Tascio*, either written at length, or indicated by two or more of its commencing letters. This word has given occasion to much disputation; but perhaps nothing has been proposed on the subject so probable as Camden's suggestion, who conceives that the word, derived apparently from the Latin *taxatio*, signified, in the British language, a tribute, or tribute-money. The figures upon these coins of Cunobeline are very various. Some have a head, probably that of the king, occasionally surrounded with what seems to be a fillet of pearls, in allusion, we may suppose, to the ancient fame of the island for that highly prized gem; others have a naked full length human figure, with a club over his shoulder; many have the figure of a horse, sometimes accompanied by a wheel, which has been supposed to convey an allusion to the formation of highways, but perhaps is rather intended to indicate the national war-chariot: a crescent, an ear of corn, a star, a comet, a tree, a hog, a dog, a sheep, an ox, a lion, a sphinx, a centaur, a Janus, a female head, a woman riding on an animal like a dog, a man playing on a harp, are some of the representations that have been detected on others.

One shows what evidently appears to be a workman in the act of making money ; he is seated in a chair, and holds a hammer in his hand, while a number of pieces lie before him. About forty of these coins of Cunobeline have been discovered. Many others also exist, which, from the names, or fragments of names inscribed on them, have been assigned to Boadicea, Cartismandua, Caractacus, Venutius, and other British sovereigns. The legends on most of these, however, are extremely obscure and dubious. What is somewhat remarkable is, that no two, we believe, have been found of the same coinage. They are almost all more or less dish-shaped, or hollowed on one side—a circumstance which is common also to many Roman coins, and may be supposed to have been occasioned by the want of the proper guards to prevent the metal from being bent over the edges of the die by the blow of the hammer. The British coins thus inscribed with Roman characters are some of them of gold, some of silver, some of bronze, some of copper. Unlike also to the coins, mentioned above, without legends, all of them that are formed of the more precious metals are much alloyed.

It must be confessed that the whole subject of these supposed British coins, notwithstanding all the disputation to which they have given rise, is still involved in very considerable obscurity. It has even been denied that they ever served the purposes of a currency at all. "They are works," observes a late writer, "of no earlier date than the apostasy and anarchy after the Romans. Moreover, they were not money. They were Bardic works belonging to that numerous family of Gnostic, Mithriac, or Masonic medals, of which the illustration has been learnedly handled in Chifflet's 'Abraxas Proteus,' Von Hammer's 'Baphometus,' the Rev. R. Walsh's 'Essay on Ancient Coins,' and (as applicable to these very productions) the Rev. E. Davies's 'Essay on British Coins.' The coins engraved by Dom. B. de Montfaucon as remnants of ancient Gaulish money are productions of similar appearance and of the same class. Paracelsus alludes to them as money coined by the

gnomes and distributed by them among men. Their uses have never been known ; but I explain them thus. Money is a ticket entitling the bearer to goods of a given value. . . . Masonic medals were tickets entitling one initiate to receive assistance from another. It may be objected, that there was no great difficulty of stealing or forging them. True ; but to be a beneficial holder of these baubles it was necessary that you should be able to explain the meaning of all the devices upon them. According to the sort of explanation given by the party, it would appear whether he was an authorized holder, and, if such, what rank of initiation he had attained, and consequently to what degree of favour and confidence he was entitled. The names selected to adorn these British medals are unequivocally marked with hatred for the Romans, and love for the memory of those Britons who warred against them ; and they imply an exhortation and a compact to expel and exclude the Roman nation from the island.” * This view is supported by some plausible arguments ; but it is far from being altogether satisfactory. The denial, however, of the title of these coins or medals to be accounted a species of ancient money, is no mere piece of modern scepticism. Camden, though he inclines to a different opinion, expresses himself upon the point with the greatest hesitation. “ For my part,” he says, “ I freely declare myself at a loss what to say to things so much obscured by age ; and you, when you read these conjectures, will plainly perceive that I have groped in the dark.” “ Whether this sort of money passed current in the way of trade and exchange,” he observes in conclusion, “ or was at first coined for some special use, is a question among the learned. My opinion (if I may be allowed to interpose it) is this. After Cæsar had appointed how much money should be paid yearly by the Britons, and they were oppressed under Augustus with the payment of customs, both for exporting and importing commodities, and had, by degrees, other taxes laid upon them, namely, for corn-grounds, plantations, groves, pasturage of greater and lesser cattle, as being

* Britannia after the Romans, pp. 218, &c.

now in the condition of subjects, not of slaves ; I have thought that such coins were first stamped for these uses ; for greater cattle with a horse, for lesser with a hog, for woods with a tree, and for corn-ground with an ear of corn ; but those with a man's head seem to have been coined for poll-money. Not but I grant that afterwards these came into common use. Nor can I reconcile myself to the judgment of those who would have the hog, the horse, the ear, the Janus, &c., to be the arms of particular people or princes ; since we find that one and the same prince and people used several of these, as Cunobeline stamped upon his coins a hog, a horse, an ear, and other things. But whether this tribute-money was coined by the Romans, or the provincials, or their kings, when the whole world was taxed by Augustus, I cannot say. One may guess them to have been stamped by the British kings, since Britain, from the time of Julius Caesar to that of Claudius, lived under its own laws, and was left to be governed by its own kings, and since also they have stamped on them the effigies and titles of British princes."

After the establishment of the Roman dominion in the island, the coins of the empire would naturally become the currency of the new province ; and indeed Gildas expressly states that from the time of Claudius it was ordained by an imperial edict that all money current among the Britons should bear the imperial stamp. These expressions, by the by, would rather seem to countenance the opinion, that coined money not bearing the imperial stamp had been in circulation in the country before the publication of the edict. Great numbers of Roman coins of various ages and denominations have been found in Britain. "There are prodigious quantities found here," observes Camden, "in the ruins of demolished cities, in the treasure-coffers or vaults which were hidden in that age, and in funeral urns ; and I was very much surprised how such great abundance should remain to *this day, till I read that the melting down of ancient money was prohibited by the imperial constitutions.*"

It is highly probable, also, that some of this imperial

was coined in Britain, where the Romans may be said to have established mints, as they are known to have done in their other provinces. There are several extant both of Carausius and of Allectus, and these hardly be doubted were the productions of a mint. It is remarkable that in the sepulchral of Avitus (A.D. 455), of Anthemius (A.D. 467— and even of Justinian (A.D. 527—565). Many of Roman coins, also, or imperial medals struck upon similar occasions, from the time of Claudius, bear on legends relating to Britain, and form illustrations of the history of the island.*

Upon this subject, "The Coins of the Romans respecting Britain," by J. G. Akerman, 12mo. Lond. 1836.

CHAPTER II.

THE ANGLO-SAXON PERIOD. A.D. 449—1066.

BRITAIN, as an island, and one of the largest in the world, as well as from its nearness to the continent of Europe, would seem to have been intended by nature for the residence of a navigating and commercial people, and it might be supposed that any people who had obtained the occupation of it would be speedily turned to navigation and commerce by the natural temptations and advantages of their position. The political state of a country, however, and its social circumstances generally, as well as the condition of the rest of the world and the spirit of the time, may all be so unfavourable as long effectually to counteract these advantages of geographical position, and even the genius and the old habits of the people themselves.

Of the successive nations that obtained possession of the south of Britain within the period of authentic history, the Gallic colonists of the time of Cæsar were in too early a stage of civilization to hold any considerable intercourse with the rest of the world ; and the Romans who succeeded them, although they necessarily maintained a certain connexion both with the central and other parts of the extended empire to which they belonged, were of a stock that had always shown itself anti-commercial in genius and policy. But the Saxons, although they had not been in circumstances to turn their skill in navigation to commercial purposes, had long before their conquest of our island been accustomed to roam the seas, and were famous for their naval enterprises. We read of predatory warfare carried on by the different Germanic nations in small and light vessels *on rivers, and even along the adjacent parts of the sea-coast, so early as before the middle of the first century.* *In the year 47, as we learn from Tacitus, the Chauci,*

dwelling along the Batavian coast, ravaged in this manner the neighbouring coast of Gaul, under the conduct of their countryman Gannascus, who had long served in the Roman armies.* It is probable that it was in the imperial service Gannascus acquired his knowledge of naval warfare, or at least the general military education which fitted him to train and command the Chauci in this expedition. In little more than twenty years after this we find the Roman fleet on the Rhine partly manued by Batavians,† and even a Batavian fleet under the command of Paulus Civilis, another individual of that nation who had been educated in the Roman armies, giving battle to the naval forces of the empire.‡ In the course of the next two hundred years the German nations generally appear to have improved upon the instruction and experience thus gained ; and both the Saxons and others became distinguished for their familiarity with the sea and for their naval exploits. About the year 240 the union, under the name of Franks, of the various tribes of the Lower Rhine and the Weser laid the foundation for those more extensive predatory incursions upon the neighbouring countries, both by sea and land, by which the barbarians of the north-west first assisted those of the north-east in harassing and enfeebling the Roman empire, and afterwards secured their share in its division. One remarkable incident has generally been noted as having given a great impulse to these expeditions, what Gibbon has called “the successful rashness” of a party of Franks that had been removed by the Emperor Probus from their native settlements to the banks of the Euxine. “A fleet,” to give the story as he tells it, “stationed in one of the harbours of the Euxine, fell into the hands of the Franks ; and they resolved, through unknown seas, to explore their way from the mouth of the Phasis to that of the Rhine. They easily escaped through the Bosphorus and the Hellespont, and, cruising along the Mediterranean, indulged their appetite for revenge and plunder, by frequent descents on the unsus-

* Tac. Annal. xi. 18. † Tac. Hist. iii. 16.

‡ Id. v. 23.

pecting shores of Asia, Greece, and Africa. The opulent city of Syracuse, in whose port the navies of Athens and Carthage had formerly been sunk, was sacked by a handful of barbarians, who massacred the greatest part of the trembling inhabitants. From the island of Sicily the Franks proceeded to the Columns of Hercules, trusted themselves to the ocean, coasted round Spain and Gaul, and, steering their triumphant course through the British Channel, at length finished their surprising voyage by landing in safety on the Batavian or Frisian shores. The example of their success, instructing their countrymen to conceive the advantages and to despise the dangers of the sea, pointed out to their enterprising spirit a new road to wealth and glory."

This event happened about the year 280. Immediately after this time we read of the commencement of ravages on the coasts of Gaul, of Belgium, and of Britain, by assailants who are called Germans by Aurelius Victor, and Saxons by Eutropius. They appear to have been a mixture of Franks and Saxons, which latter name ere long began to be also distinguished as that of another military confederacy of the Germanic nations not less powerful than the Franks. In maritime affairs, indeed, the Saxons soon took the lead; and, while the Franks pushed their conquests by land, the Saxon name became a terror to all the neighbouring sea-coasts. Yet their marine was still of the rudest description. "If the fact," says Gibbon, "were not established by the most unquestionable evidence, we should appear to abuse the credulity of our readers by the description of the vessels in which the Saxon pirates ventured to sport in the waves of the German Ocean, the British Channel, and the Bay of Biscay. The keel of their large flat-bottomed boats was framed of light timber, but the sides and upper works consisted only of wicker, with a covering of strong hides. . . . But the daring spirit of the pirates braved the perils both of the sea and of the shore: their skill was confirmed by the habits of enterprise; the meanest of their mariners was alike capable of handling an oar, of rearing a sail, or of conducting a vessel; and

the Saxons rejoiced in the appearance of a tempest, which concealed their design, and dispersed the fleets of the enemy." The Romans now found it necessary to fit out and maintain a fleet expressly for the protection of the coasts of Britain and Gaul. The command of this armament, which was stationed in the harbour of Boulogne, was given to Carausius. His revolt soon after, and his establishment of an empire for himself in Britain, where he endeavoured to maintain his power by alliances with those very nations of the north whom he had been appointed to repress, and by enlisting the barbarians both among his land and sea forces, was another event in the highest degree favourable to the progress of the Saxons in navigation and naval warfare. It was a new lesson to them both in ship-building and in tactics, which must have made their boldness and hardihood much more formidable than ever. The empire of Carausius had lasted for seven years, when it was overthrown by his death in 294.

In the next century we find the Saxons almost the acknowledged masters of the northern seas, and so constantly infesting Britain that the east coast of the island had come to be known by the name of the Saxon coast, and was strongly fortified, and put under the charge of a warden, whose especial duty it was to repel their assaults. Their defeat by Theodosius, in the neighbourhood of the Orkney Islands, in 368, for which he obtained the surname of Saxonicus, was not accomplished till the barbarians had sustained several encounters with the Roman fleet; and although it seems to have deterred them for a long time after from repeating their descents upon Britain, and although, after the example of the Franks, they were now also beginning to employ their strength more than formerly in military operations by land, they certainly did not abandon the field of their elder renown. The keels of Hengist and Horsa were cruising in the British Channel when they received the invitation of Vortigern in 449; and it was their command of the seas that, by enabling them to maintain all along a free communication with the continent, and also to

make their descents upon the island at the most advantageous points, chiefly contributed to gain for the Saxons, Angles, and Jutes, the possession of Britain.

These new settlers, therefore, the fathers of the future population of the country, and the founders of its political institutions and its social state, were by long use a thoroughly navigating race, and, having obtained their island stronghold, they would naturally, it might be thought, proceed both to fortify it by securing the dominion of the surrounding seas, and to make it the centre of a great commercial empire. But, although all this was to come to pass in process of time, nothing of the kind happened in the first instance; and the Saxons, after their settlement in Britain, completely neglected the sea, now more truly their proper element than ever, for so long a period, that, when they did at last apply themselves again to maritime affairs, their ancient skill and renown in that field of enterprise must have been a mere tradition, if it was so much as remembered among them at all, and could have lent no aid in directing or even in exciting their new efforts. It was not till the reign of Alfred, towards the end of the ninth century, that the Saxons of England appear ever to have thought of building a ship, at least for war; and it may be doubted if before that time they had even any trading vessels of their own. Ever since their settlement in Britain they seem to have wholly abandoned the sea to their kindred who remained in their native seats in the north of Germany and around the Baltic,—the Northmen or Danes, by whom they were destined to be succeeded in their career of rapine and conquest.

This latter race of sea-rovers had adopted a policy different from that which had been followed both by the Franks and the Saxons. These two nations, or rather great confederacies of various nations, although they had both first made themselves formidable at sea, had, as we have seen, successively abandoned that field of adventure as soon as they had entered upon the course of land conquest, or at least as soon as they had secured the possession the first of Gaul, the second of Britain, and

had established their Gothic sovereignties in these fair provinces of the former western empire. But the Danes, who were also a great confederacy,—the several Scandinavian nations of the Danes, the Swedes, and the Norwegians, being all comprehended under that name,—continued to seek plunder and glory on the waters long after they had founded a multitude of kingdoms on shore. These, however, were not kingdoms carved, like the possessions of the Franks and Saxons, out of the rich and cultivated Roman territory, but were all confined to the bleak and barbarous coasts of the Baltic and the neighbouring seas, where the Romans had never been. Down to the close of the eighth century, Denmark, Sweden, and Norway were each parcelled out into numerous independent principalities, the chiefs of all of which were at the same time also either sea-kings themselves, or more usually were the fathers or elder brothers of the bold piratical captains, who rejoiced in that designation ; the custom being for the younger sons of the royal house to be sent to seek their fortune on the ocean, while the eldest was kept at home to inherit his ancestral throne. But the class of *sae konungen*, or sea-kings, otherwise called *vikingr*, which is supposed to mean kings of the bays, where they had their head stations, was very numerous, and comprehended many individuals who were not of royal extraction. Piracy was the common resource of the younger sons of all the best families among these Scandinavian nations ; and the sea was regarded as a field whereon a bold adventurer might rear for himself a fabric both of wealth and dominion almost as stable as could be founded on the land. In the course of the ninth century in all the three countries central sovereignties had arisen, and absorbed or reduced to dependence the rest of the chieftainships ; but this change did not for some time affect the free movements of the *vikingr*. They continued as heretofore to maintain their independence on their own element. The new state of things in the north only had the effect of giving a new direction to their enterprises. Formerly the natural prey of the sea-kings of the Baltic had been

the territories of the petty land-sovereigns along the coasts of that sea ; for their common origin formed no general or permanent bond between the two classes, in circumstances so nearly resembling those under which the various descriptions of wild beasts are thrown together in a forest. But now, that something of the strength of union and consolidation had been acquired by the northern kingdoms, they had become less easily assailable ; and the captains of the piratical armaments began to look out for adventures and plunder farther from home. The coasts of England, of Scotland, of Ireland, and of France, became henceforth the chief scenes of their ravages. Nor had civilization yet advanced so far in any of the Scandinavian countries as to discountenance these expeditions. On the contrary, the Danish, Norwegian, and Swedish kings were no doubt well pleased to see their natural enemies and the most turbulent spirits among their subjects thus finding occupation elsewhere ; and, as for the popular feeling on the subject, the old national custom of roaming the seas was still universally held to be among the most honourable of employments. Navigation can be cherished and promoted only by commerce or by war ; it never has flourished in the absence of the former except under the nourishment and support afforded by the latter. It was the want of both war and commerce that brought about its decay and extinction among the Franks and Saxons, after their conquests of Gaul and Britain ; it was preserved among the Danes through the habits and necessities of that predatory life upon which they were thrown for some centuries by the peculiar circumstances in which they were placed. The power of this third northern confederacy grew up during a period when the spirit of foreign conquest and settlement, generated among the barbarous nations by the dismemberment of the Roman empire, was still in full vigour, but when the means of satisfying it had been taken away in consequence of the previous occupation of Gaul, of Britain, of Spain, and of all the other Roman provinces, by those whose fortune it had been to be earlier in the movement. The Danes were in this way

left to the piratical maritime warfare in which they soon became so distinguished ; it was the natural result of the ambition of foreign conquest checked by the want of any territory lying open for them to invade and overrun. Still this was in its nature only an intermediate and temporary resource. The instinct of aggression, which it could only imperfectly gratify, it yet fostered, and was constantly strengthening and arming with new power for the full attainment of what it sought. The Danes, under this discipline, were becoming every day more warlike and formidable, and more capable of achieving foreign conquests, whenever they should make the attempt. On the other hand, the Franks and Saxons, whom they would have to drive before them, were, in the unassailed security of their rich and ample settlements, gradually losing the use of war and the power of defending the possessions they had gained. This was the state of circumstances when the Danes commenced, in the latter part of the eighth century, their descents upon the coasts of France, England, Scotland, and Ireland. These Northmen were now merely repeating what had been done by their kindred, the Franks and Saxons, three or four centuries before. They too, from mere plundering incursions, with which they had hitherto satisfied themselves, were about to rise in their turn to the grander operations of invasion, conquest, and colonization, now that occasion presented itself, and called them to that career. This was the proper consummation of their system of sea-kingship ; the true end and development of their long course of piracy and desultory warfare. That was but the impatient restlessness of the animating passion repelled, baffled, and in some sort imprisoned ; this was its free and natural action. The new path of enterprise, accordingly, immediately attracted to itself all the disposable courage, activity, and resources of the North. It was not left to the sea-kings alone ; the most potent of those of the land joined the great national movement, which promised to add new realms to those they already possessed, or to enable them to exchange their niggardly

ancestral islets and strips of sea-coast for broader domains in a sunnier clime. By means of these expeditions the pressure and uneasiness occasioned by the opposition between the old piratical system and the new order of things that was now growing up in the Scandinavian kingdoms were at once relieved ; and, while occupation and settlements were found for the more active and adventurous who chose to abandon their native country, more room was also made, and more quiet secured, for those that remained behind.

By these bold sea-captains and their crews was a great part of England taken possession of and occupied ; and thus, a second time, did the country receive an accession of the kind of population most appropriate to it as an island, —a race of navigating spirit and habits. The Normans also, we may anticipate so far as just to remark, were, before they won their settlements here and in France, pirates as well as the Danes and the Saxons ; in fact they were merely a division of the Danish viking and their companies. So that, of the several races that were eventually mingled together to form the English people, no one had to be gradually turned towards maritime affairs by the force of the new circumstances in the midst of which it was placed ; all brought along with them an old familiarity with the sea, on which they had in fact lived, and conquered, and maintained dominion, before they had ever made good any footing for themselves upon land.

Notwithstanding all this, however, we find each race, as soon as it has established itself in the country, almost wholly abandoning the former theatre of its exploits, and attaching itself to the land as exclusively as if the sea had been left a thousand miles behind. We cannot discover that either the previous navigating habits of the Saxons and Danes who successively settled in Britain, or the natural advantages of their new position, prompted them to any considerable efforts of commercial enterprise, after they had lost the motive which had originally impelled them to the sea. Nay, as we have already observed, *the ships in which, and through which, they had made their conquests*, were abandoned by them even as in-

struments of protection ; they had served their turn in aggressive warfare, but in the defensive warfare that followed their employment was not thought of, till after long and disastrous experience of the insufficiency of other military means. Such being the case, we need not wonder that commercial navigation was neglected. The navigating spirit, in fact, will not of itself create commerce ; it appears to have been usually rather the commercial spirit that has taught a people navigation, where it has not been taught by war ; and even war does not teach it in the effective manner that commerce does, as we may see at once by comparing the Saxons or the Danes with the Phœnicians. The latter had no doubt been a commercial long before they became a navigating, a discovering, a colonizing, and a civilizing people. In the same manner it is their commercial habits, growing out of their permanent geographical position, and not their use and wont of maritime warfare, that has made the English, the descendants of these old Saxons and Danes, the great lords of the sea, planters of nations, and diffusers of civilization in the modern world.

But a power like this can only grow up under a favourable state of circumstances in the world generally, or throughout a large portion of it. The commercial empire of the ancient Phœnicians was reared during the most flourishing period of the early civilization of the east ; the commercial empire of modern Britain has in like manner arisen in the midst of the later civilization of the west. In the rude and turbulent ages that followed the overthrow of the Roman power in Europe, the existence of an extensive commerce in any hands was impossible. Almost continual wars everywhere, either between one people and another, or between two factions of the same people, or, where there was any temporary relaxation of war, the still more brutifying effects of misgovernment and oppression, left no time, no inclination, and no means for carrying on any considerable commerce. The great mass of the people were in all countries sunk in ignorance and in poverty ; their miser-

able condition hardly permitted them to aspire after the enjoyment of anything beyond the absolute necessities of existence ; they were untaught in those arts and processes of industry by which commerce is fed ; there had been little or no accumulation of capital, without which there can be no extensive commerce, nor any other species of undertaking that looks much beyond the passing day. It was only by slow degrees that Europe emerged out of this condition, and that the beginnings of modern commerce were nurtured into strength and stability.

We shall now mention the most interesting of the few facts that have been preserved relating to the foreign trade carried on by the Anglo-Saxons, in their chronological order. The first distinct notice which we have upon the subject is not of earlier date than the close of the eighth century. At this time, it appears that some English commodities were carried abroad, and probably some of those of the continent brought to this country, by the devotees who went on pilgrimage to Rome, or by persons who found it convenient to make profession of being so engaged. It is not to be supposed that these pilgrimages opened the first commercial intercourse between England and the continent ; but they undoubtedly made the communication much more frequent than it had been before. The practice established by the Romans, of exacting certain payments at each seaport, on the embarkation and landing of goods, appears to have been retained in all the new kingdoms formed out of the western empire ; and their amount probably long remained nearly the same that had been paid under the imperial *régime*. Hence the name of customs, or some equivalent term, by which they were called, as if they had been dues universally and immemorially demanded. There is a letter still extant, from the French Emperor Charlemagne to Offa, king of Mercia, and Bretwalda (or chief lord of Britain), which seems to have been the result of a negociation between the two sovereigns, respecting the exaction of these duties in the case of the English pilgrims travelling to *Rome*. The document must be assigned to the year 795, in which Offa died, at the latest ; and it may be re-

garded as the earliest commercial treaty on record, or perhaps that ever was entered into, between England and any other country. It runs as follows: "Charles, by the grace of God, king of the Franks and Lombards, and patrician of the Romans, to our venerable and most dear brother, Offa, king of the Mercians, greeting. First, we give thanks to Almighty God, for the sincere Catholic faith which we see so laudably expressed in your letters. Concerning the strangers, who, for the love of God and the salvation of their souls, wish to repair to the thresholds of the blessed apostles, let them travel in peace without any trouble; nevertheless, if any are found among them not in the service of religion, but in the pursuit of gain, let them pay the established duties at the proper places. We also will that merchants shall have lawful protection in our kingdom according to our command; and, if they are in any place unjustly aggrieved, let them apply to us or our judges, and we shall take care that ample justice be done to them." There is more of the letter, which it is unnecessary to quote. We gather from it that the profession of pilgrimage had already been taken advantage of as a cloak for smuggling; and, no doubt, in this way the practice gave an impulse to trade. Even the smuggler is sometimes of use; he may be the means of planting a traffic which would not have grown up without his assistance, and which, of however objectionable a character originally, may eventually assume a legitimate form, and attain to great value and importance. It is conjectured that articles in gold and silver were probably the principal commodities in which these traders from England dealt, who thus put on the guise of pilgrims with the view of cheating the custom-house of its dues. Such articles, being of small bulk, would be easily concealed in a traveller's baggage; and it appears that even at this early age the English works in gold and silver were famous over the continent.* Already, it may be noted, there seem to have been Jews resident in England, and even in the northern kingdom of Northumberland; for among the Excerpts of Archbishop Egbert of York--

* Macpherson's Annals of Commerce, i. 248.

which must have been compiled between the years 735 and 766—we find a transcript of a foreign canon, prohibiting Christians from imitating the manners of that people, or partaking of their feasts. The Jews have been the introducers or chief encouragers of foreign commerce, especially in jewellery, articles made of the precious metals, and other such luxuries, in most of the countries of modern Europe.

From this date the history of Anglo-Saxon commerce is again nearly a blank till we come down to the reign of Alfred. Of this illustrious prince it is recorded that he cultivated an intercourse with distant countries, in which he seems to have had in view the extension of commerce as well as other objects. He appears to have kept up a frequent communication with Rome; and his biographer Asser states, that he also corresponded with Abel, the patriarch of Jerusalem, who sent him several valuable presents of Oriental commodities. His embassy to the Christians in India is mentioned, not only by Malmesbury and other authorities of the next age, but by the contemporary compiler of the Saxon Chronicle, who says that Swithelm, Bishop of Shireburn, made his way to St. Thomas, and returned in safety. Malmesbury gives Sighelm as the name of the adventurous bishop, and relates that he brought back from India aromatic liquors and splendid jewels; some of the latter, the historian says, were still remaining in the treasury of his church when he wrote, in the twelfth century. Sighelm is stated to have left England in the year 883, and to have gone in the first instance to Rome, from which he probably sailed up the Mediterranean to Alexandria, and then made his way by Bassora to the Malabar coast, where it is certain that a colony of Syrian Christians, who regarded St. Thomas as their apostle, were settled from a very early period. Asser relates that he received, on one occasion, as a present from Alfred, a robe of silk, and as much incense as a strong man could carry; these precious commodities may have been obtained from the East.

But the interest which Alfred took in hearing of remote parts of the earth is most distinctly shown in the accounts

he has himself given us of the two voyages of Ohthere and Wulfstan ; the first to the North Seas, the second towards the east of the Baltic. These voyages were related to Alfred by the navigators themselves ; and he has inserted what they told him in his Saxon translation of the Latin History of Orosius. It has been observed that Alfred "obtained from Ohthere and Wulfstan such information of the Baltic sea with the adjacent countries, as far exceeded that of professed geographers, either before or after his time, till the route of Ohthere was retraced in the year 1553 by the English navigator Chancellor, who was supposed the original discoverer of the northern passage to Russia."* Ohthere rounded the North Cape, and penetrated into the White Sea, from which he ascended a great river, which must have been the Dwina, on which Archangel now stands. Wulfstan navigated the Baltic as far as to the land of the Estum, the present Prussia. "This Eastland," says his narrative, "is very large, and there be a great many towns, and in every town there is a king ; and there is a great quantity of honey and fish. The king and the richest men drink mares' milk, and the poor and the slaves drink mead. There be very many battles between them. There is no ale brewed amid the Estum, but there is mead enough." Pytheas had remarked the same abundance of honey and use of mead, among the people of this coast, twelve centuries before.

It is one of Alfred's many great merits, and titles to perpetual and grateful remembrance, that he first called into action, and gave proof of what could be achieved by the natural right arm of England—her maritime strength. The year 887, the sixth of his reign, while he was engaged in that first struggle with the northern invaders which ended so disastrously, is marked as the year in which he fitted out his first few ships. Twenty years later, in his days of prosperity and power, he built a much larger fleet, and introduced certain important improvements in the form of the vessels, which, whether suggested by his own inventive sagacity, or borrowed, as it has been

* Macpherson's *Annals of Commerce*, i. 263.

conjectured they might have been, from the galleys then used in the Mediterranean, of which he had obtained models, he showed at least his usual active and inquisitive spirit in searching after, and his good sense in adopting. The Saxon Chronicler says that Alfred's ships were neither like those of the Danes nor those of the Frisians, but were made in a fashion which he himself thought would be more serviceable than that of either. They were twice as long as the *aescas*, as they were called, of the Northmen, and also higher than theirs; in sailing, they were swifter and less unsteady. Some of them had sixty oars, some more. Yet, notwithstanding the statements of some later writers, we have no authentic account of any attempt by Alfred to create an English mercantile marine. One of his laws only shows that merchant ships sometimes arrived in England in those days; and even this regulation regards not the cargoes of these foreign vessels, but the passengers. The only notice that has been found of the export of any English commodity in the time of Alfred, is the mention of some of the famous native breed of dogs having been sent as a present to Folk, archbishop of Rheims, in France.*

By far the most remarkable and significant event in the whole history of Anglo-Saxon commerce, is the law passed in the reign of King Athelstan, in the second quarter of the tenth century, by which it was enacted that every merchant who should have made three voyages over the sea with a ship and cargo of his own should have the rank of a thane or nobleman. The liberality of this law has usually been ascribed exclusively to the enlightened judgment of Athelstan; but we are entitled to presume that it must have been also in some degree in accordance with the general feeling of the country; for, not to mention that it must have been passed with the consent of the Wittenagemot, it is unlikely that so able and prudent as well as popular a monarch as Athelstan would have attempted in regard to such a matter to do violence to public opinion, without the acquiescence and

* Macpherson, i. 265.

support of which the measure could have had little efficacy or success. We may take this decree conferring the honours of nobility upon commerce, therefore, as testifying not only to the liberality and wisdom of Athelstan, but also to the estimation in which commerce had already come to be held among the English people. It may be regarded as a proof that the Anglo-Saxons had never entertained much of that prejudice against the pursuits of trade, which we find so strongly manifested during the middle ages, wherever the political and social institutions were moulded upon, and fully animated by, the spirit of the feudal system. But it is especially interesting in reference to the present subject, as an indication of the growing importance of English commerce and of the public sense of that importance. From this time English fleets and ships of war come to be frequently mentioned. Athelstan assisted his nephew, Louis IV. of France, in his contest with the Emperor Otho, by sending a fleet to the coast of Flanders, to ravage the emperor's territories in that quarter. This was done in conformity with a treaty of mutual defence, which is memorable as the first of the kind that had been entered into between the two kingdoms. Edgar's navy, and also that which Ethelred fitted out by a tax upon all the lands in the kingdom to repel the Danes, make a great figure in the history of the next half century. Some accounts make Edgar's fleet to have amounted to between three and four thousand ships—a statement resembling in its style of evident hyperbole the whole history the old monkish chroniclers have given us of this king, whose lavish benefactions to the church have secured him an extraordinary return of their gratitude and laudation. Ethelred's, again, is recorded to have been the most numerous naval armament that had yet been seen in England; so that it must have surpassed that of Edgar.

Even in the disastrous reign of Ethelred, we find indications of the continued progress of trade, both coasting and foreign. In certain laws enacted by Ethelred and his Witan, at Wantage, in Berkshire, it is declared, that every smaller boat arriving at Billingsgate (so old are that

landing-place and that name) should pay for toll or custom one halfpenny ; a larger boat with sails, one penny ; a keel, or what we should now call a hulk, four pennies ; a vessel with wood, one piece of wood ; a boat with fish coming to the bridge, one halfpenny, or one penny, according to her size. And from other passages of these laws, it appears that vessels were then wont to come to England from Rouen, with wine and large fish ; from Flanders, Ponthieu, Normandy, France, Hegge (an unknown place), Liege, and Nivell. Certain German merchants, called the Emperor's men, when they came with their ships, are declared to be worthy of good laws—that is, of being treated with favour ; but they were to pay their dues, and were not to forestall the market to the prejudice of the citizens. The dues to be paid by the Emperor's men, who were probably the representatives of some trading company, were two grey cloths and one brown one, ten pounds of pepper, five pairs of men's gloves, and two vessels or measures (called *cabillini colenni*, the meaning of which is unknown) of vinegar, at Christmas, and the same again at Easter. These were probably the articles of which their cargoes usually consisted. It is also worth notice, that a meeting was held in this reign of the wise men of England and Wales for regulating the intercourse, commercial and general, between the two kingdoms ; at which rates of compensation were fixed for slaves, cattle, &c., that might be stolen or injured, and it was agreed to appoint a standing tribunal, consisting of six English and six Welsh lawmen, or persons skilled in the law, to settle all disputes between individuals of the two nations.

Among many other interesting details derived from a volume of Saxon Dialogues, apparently intended for a school-book, which is preserved in the British Museum,* Mr. Turner has quoted the following passage, in which the Merchant, as one of the characters introduced, gives an account of his occupation and way of life : “ I say that I am useful to the king, and to ealdermen, and to the rich, and to all people. I ascend my ship with my merchandize, and sail over the sealike places, and sell my

* Cotton MS. Tib. A. iii.

things, and buy dear things which are not produced in this land, and I bring them to you here with great danger over the sea ; and sometimes I suffer shipwreck, with the loss of all my things, scarcely escaping myself." He is then asked, " What do you bring to us ?" to which he answers, " Skins, silks, costly gems, and gold ; various garments, pigment, wine, oil, ivory, and orichalcus (perhaps brass) ; copper and tin, silver, glass, and such like." The principle of all commercial dealings is distinctly enough stated in the answer to the next question, — " Will you sell your things here as you bought them there ?" " I will not ; because what would my labour benefit me ? I will sell them here dearer than I bought them there, that I may get some profit to feed me, my wife, and children." The silks and other Oriental commodities here mentioned were usually, in all probability, obtained from Italy, or sometimes perhaps from Marseilles.

Foreign commodities can only be obtained by the exchange of other commodities produced at home. But the Anglo-Saxons had not much to export. Notwithstanding the flourishing state to which British agriculture had been raised by the Romans, there is no evidence or reason for believing that a single cargo of corn was ever exported from England during the whole of the period now under review. Although, however, there is no positive authority to establish the fact, Mr. Macpherson thinks there can be little doubt that the Flemings, the great manufacturers of fine woollen goods for the whole of Europe, carried away great quantities of English wool in this period, as we know for certain they did in the following ages. That there was an export trade in wool would seem to be indicated by the disproportionate price the fleece appears to have borne compared with the whole sheep, and also by the high price of wool.* Probably also the mines of the different metals yielded something for exportation. The Abbé Raynal has mentioned, but without quoting his authority, that among the traders of different nations who resorted to the fairs

* Macpherson, i. 288.

established in France by King Dagobert in the seventh century, were the Saxons with the tin and lead of England;* and Mr. Macpherson is of opinion that, as we know from Domesday Book that in the neighbourhood of Gloucester there were iron-works in the time of Edward the Confessor, which had probably been kept up since before the invasion of the Romans, iron, too, as well as lead and tin, may perhaps have been one of the few British exports during the Anglo-Saxon period. This writer thinks it also not impossible that mines of the precious metals may have been wrought at this time in England, and part of their produce exported, although the existence of such mines in the island is unnoticed by any historian since the beginning of the Roman dominion, with the exception of Bede.† It is certain that large sums in gold and silver were raised in the country on different occasions, and much coin or bullion repeatedly carried out of it; and it appears difficult to comprehend whence all this wealth could be obtained with so few manufactures and so little exportable produce of any kind. The early eminence of the Anglo-Saxons in the art of working gold and silver may be taken as affording another presumption that, whencesoever procured, there was no want of these metals in the island. "We have undoubted proof," says Mr. Macpherson, "that the English jewellers and workers of gold and silver were eminent in their professions, and that probably as early as the beginning of the seventh century. . . . So great was the demand for highly-finished trinkets of gold and silver, that the most capital artists of Germany resorted to England; and, moreover, the most precious specimens of foreign workmanship were imported by the merchants."‡ On the other hand, articles in gold and silver seem to have been the chief description of manufactured goods exported from England in this period.

Among the exports from Britain during part of this period are supposed to have been horses, because one of

* *Hist. des Indes*, ii. 4.

† Macpherson, i. 291.

‡ Macpherson, i. 290.

King Athelstan's laws prohibits their being carried out of the kingdom unless they were to be given as presents. Another part of the export trade, which was probably carried on to a much greater extent, was the trade in slaves. The mission of Augustine, which effected the conversion of the Anglo-Saxons to Christianity, was, it may be recollectcd, the memorable result of the attention of Augustine's patron, Gregory, having been attracted by the appearance of a group of young Angles exposed for sale as slaves in the market-place of Rome. Afterwards several laws and ecclesiastical canons were passed prohibiting the sale of Christian slaves to Jews or Pagans. Finally it was enacted that no Christians, and no persons who had not committed some crime, should be sold out of the country. But William of Malmesbury, who wrote nearly a century after the Conquest, affirms that the practice of selling even their nearest relations had not been altogether abandoned by the people of Northumberland in his own memory. And in the contemporary biography of Wulfstan, who was Bishop of Worcester at the time of the Conquest, the following curious account is given :—"There is a sea-port town called Bristol, opposite to Ireland, into which its inhabitants make frequent voyages on account of trade. Wulfstan cured the people of this town of a most odious and inveterate custom, which they derived from their ancestors, of buying men and women in all parts of England, and exporting them to Ireland for the sake of gain. The young women they commonly got with child, and carried them to market in their pregnancy, that they might bring a better price. You might have seen with sorrow long ranks of young persons of both sexes, and of the greatest beauty, tied together with ropes, and daily exposed to sale; nor were these men ashamed, O horrid wickedness! to give up their nearest relations, nay, their own children, to slavery. Wulfstan, knowing the obstinacy of these people, sometimes stayed two months among them, preaching every Lord's Day, by which, in process of time, he made so great an impression upon their minds that they abandoned that wicked

trade, and set an example to all the rest of England to do the same."* But for this remarkable passage it would scarcely have been suspected that there ever was a time when the natives of England were regularly exported to be sold as slaves to the Irish. Their principal purchasers were probably the Danes, or Ostmen (that is, Eastern men), as they were called, who were at this time the dominant people in Ireland, and especially were masters of nearly the whole line of the coast opposite to Britain. They appear to have carried on a considerable commerce both with England and other countries. Chester, as well as Bristol, is particularly mentioned as one of the ports to which Irish ships were accustomed to resort about the time of the Norman Conquest. William of Malmesbury describes the inhabitants of Chester as depending in his day upon Ireland for a supply of the necessaries of life; and, in another place, he speaks of the great distress the Irish would suffer if they were deprived of their trade with England. Marten-skins are mentioned in *Domesday Book* among the commodities brought by sea to Chester; and this appears, from other authorities, to have been one of the exports in ancient times from Ireland. Notices are also found of merchants from Ireland landing at Cambridge with cloths, and exposing their merchandise to sale.† Other English ports which are noticed as possessed of ships at the time of the Conquest, or immediately before that event, are Pevensey, Romney, Hythe, Folkstone, Dover, Sandwich, Southwark, and London. Bede speaks of merchants' ships sailing to Rome; and it appears that trading-vessels sometimes joined together, and went out armed for their mutual protection.‡

At all the above places, and at every other seaport in the kingdom, customs seem to have been exacted upon the arrival and departure of ships and goods, both by the king and by the lord, generally called the earl or *comes*, whose property or under whose protection the

* Wharton's *Anglia Sacra*, ii. 258.

† See Turner, iii. 113.

‡ Ibid.

town was; and trade was besides fettered by many restrictive regulations. At Chester, for instance, if a ship arrived or sailed without the king's leave, she was subject to a fine of forty shillings to the king and the earl for every one of her crew. If they came against the king's express prohibition, the ship, the men, and the cargo were forfeited to the king. Ships that came in with the king's permission might sell quietly what they brought, paying at their departure to the king and the earl four pennies for every last, or load. Those that brought marten skins, however, were bound to allow the king the pre-emption of them, and, for that purpose, to show them to an officer before any were disposed of, under a penalty of forty shillings. It is possible, however, that some of these oppressive regulations may have been first imposed by the Conqueror. At the time when the account in Domesday Book was drawn up, the port of Chester yielded to the crown a revenue of forty-five pounds, and three timbres (whatever quantity that may have been) of marten skins.

Of the internal trade of England during this period we know very little. That it was on a very diminutive scale might be inferred from the single fact, that no person was allowed to buy anything above the value of twenty pennies, except within a town, and in the presence of the chief magistrate, or of two or more witnesses. Such at least is the regulation found in the laws of King Hlothaere (or Lothair) of Kent, who reigned in the seventh century. Another enactment in the same collection is, that, "if any of the people of Kent buy anything in the city of London, he must have two or three honest men, or the king's port-reve (who was the chief magistrate of the city), present at the bargain." And a third of Hlothaere's laws is—"Let none exchange one thing for another except in the presence of the sheriff, the mass priest, the lord of the manor, or some other person of undoubted veracity. If they do otherwise they shall pay a fine of thirty shillings, besides forfeiting the goods so exchanged to the lord of the manor."

These regulations were probably intended in part to prevent fraud and disputes, and they might perhaps be in some measure serviceable for that purpose in an age when writing was not in common use; but there can be no doubt that they had principally in view the protection of the revenue of the king and the lord of the manor; to each of whom, it appears from Domesday Book, a certain proportion of the price of everything sold for more than twenty pennies was paid, the one-half by the buyer, and the other by the seller. The amount here specified would prevent the rule from affecting the ordinary purchases of the people in shops, to which it must be supposed they were permitted to resort for the necessities of life without any of these annoying formalities. The transactions to which it applied would chiefly take place at the public markets or fairs, which appear to have been established in various parts of the country, and which in all the greater towns were probably held every week. Originally the Sunday seems to have been the usual market-day; but the repeated efforts of the church at length effected the general substitution of Saturday. Besides the weekly markets, however, there were probably others of a more important kind held at greater intervals. At many of the markets, besides the duties exacted upon all sales, a toll appears to have been demanded either from every individual frequenting the market, or at least from all who brought goods to dispose of. Most of these commercial usages of the Anglo-Saxons were inherited from their predecessors the Romans.

They had also, to a certain extent, the advantage of the facilities of communication between the different parts of the country, which had been created while it was in the occupation of that great people. The four great highways appear to have received Saxon names, and they were undoubtedly maintained in use during the whole of the Saxon period, as were also, it may be presumed, most of the other roads, or streets, as they were called, with which the country was intersected in all directions. And, besides the navigable rivers, it has

been supposed that artificial canals were cut in some places. A canal in Huntingdonshire, in particular, called Kingsdelf, is mentioned in the Saxon Chronicle under the year 963 ; and several of the boundary ramparts, erected primarily for the purposes of defence, appear to have had wide ditches, along which boats might be dragged.

The subject of the Money of the Anglo-Saxons is in some parts extremely perplexed and obscure. The different denominations of money of which mention is found, are, the pound, the mark, the mancus, the ora, the shilling, the thrimsa, the sceatta, the penny, the triens, the halfpenny, or halfpenny, the feorthling, or farthing, and the styca, or half-farthing. Of some of these, however, we know with certainty little more than the names.

The first difficulty that occurs is in regard to which of these kinds of money were actual coins, and which were merely nominal, or money of account. Upon this part of the subject, Mr. Ruding, from whom it has received the latest as well as the most elaborate investigation, comes, though not without hesitation, to the following conclusion : " That the penny, halfpenny, farthing, and half-farthing were actual coins ; as was probably the triens, which divided the penny into three equal parts ; and that the mancus, the mark, the ora, the shilling, and the thrimsa, were only money of account ; or, that if the mancus was ever current among the Anglo-Saxons, it was a foreign coin, and was never imitated in their mints."* There is no doubt that the pound was merely money of account. The sceatta seems to have been rather a general expression for a piece of money, than the denomination either of a coin or a particular sum. Others, however, have held that the sceatta, the mancus, the shilling, the thrimsa, and perhaps also the ora, were all coins.

The next question that arises relates to the metal of which each coin was made. Mr. Ruding is of opinion,

* Annals of the Coinage, i. 316. (Edit. of 1819.)

"that no evidence has yet been adduced to prove that the Anglo-Saxons struck any gold money ;" but that this balance of probability apparently inclines to the determination that no such money was issued from their mints."^{*} By others the mancus is supposed to have been of gold ; and Mr. Turner thinks that both gold and silver were used in exchanges in an uncoined state.[†] It is certain that mention is repeatedly made of payments in gold. It is agreed that the penny, the halfpenny, the farthing, and the triens (if that was a coin) were all of silver ; and that the styca was of copper, or of that metal with an alloy. In fact, no Saxon coins have yet been discovered except some of those last mentioned. Of pennies and stycas some large hoards have been found within these few years. In April, 1817, a wooden box was turned up by a ploughman in a field near Dorking, in Surrey, which contained nearly seven hundred Saxon pennies, principally of the coinages of Ethelwulf, the son and successor of Egbert, and of Ethelbert, the father of Alfred, but partly also of those of preceding kings of Wessex, of Mercia, and of East-Anglia.[‡] Eighty-three silver coins of King Ethelred, and two of his father, King Edgar, were found in 1820, by a peasant while digging a woody field in Bolstads Socked, in Sweden, and are now deposited in the Royal Cabinet of Antiquities at Stockholm.[§] And in 1832, a brass vessel containing about eight thousand stycas, principally of the kings of Northumberland, was found at Hexham in that county. About five thousand of them were recovered from the persons into whose hands they had fallen ; and a selection of about three hundred of them is now in the British Museum.^{||}

* Annals of the Coinage, i. 316. (Edit. of 1819.)

† Hist. of Anglo-Saxons, ii. 470, 471

‡ See account of these coins, by Taylor Combe, Esq., in the Archaeologia, vol. xix. (for 1821), p. 110.

§ Turner's Anglo-Saxons, ii. 480.

|| See account of these stycas, by John Adamson, Esq., with engravings of some hundreds of them, in the Archaeologia, vol. xxv. (for 1834), pp. 229-310 ; and vol. xxvi. (for 1836), pp. 346-8.

But the most important, and unfortunately also the darkest question of all, is that of the determination of the value of these several coins or denominations of money. There has been the greatest doubt and difference of opinion both as to the absolute value or weight, and as to the relative value, of nearly every one of them. Almost the only thing which is perfectly certain is, that the pound was always understood to be a full pound of silver. It appears, however, to have been not the common troy pound, but another measure, long known in Germany by the name of the Cologne pound, and used in this country as the Tower or Mint weight down to the reign of Henry VII. It was three quarters of an ounce less than the pound troy, and was equal, therefore, to only eleven ounces and a quarter troy weight, that is, to 5400 grains.

Out of this amount of silver, throughout the whole Saxon period, the rule seems to have been to coin 240 silver pennies, each of which would therefore weigh $2\frac{1}{4}$ of our grains. Accordingly, this is about the average weight of the Saxon pennies that have been found. Our present pound no longer means a pound of silver of any denomination; but the old relation between the pound and the penny, it will be remarked, is still preserved—the value of the pound is still 240 pence. A few passages in old writers and documents have inclined some antiquaries to suspect that the Saxons had two kinds of pennies, a greater and a less; but, on the whole, this notion does not seem to be tenable. The name of the penny in Saxon is variously written,—peneg, penig, peninc, pening, penincg, penning, and pending.

Supposing the value of the penny to have been thus ascertained, we have obtained that also of each of the inferior coins. The halfpenny, which, as existing specimens show, was also of silver, would weigh about $1\frac{1}{4}$ of our grains, and the feorthling, or farthing, about $5\frac{1}{2}$. But no Saxon farthings have been discovered, and we do not know whether the coin was of silver or copper. The styca was of copper much alloyed,—in other words, of bronze; but, as it was the half of the farthing, its precise value would be estimated at $2\frac{1}{2}$ grains of silver. All the stycas that have yet been found are from the mints of the

Northumbrian kings and the Archbishop of York; but the circulation of the coin appears to have been general throughout England. If there were such coins as the thrimsa and the triens, the former at least was probably of silver. The value of the thrimsa seems to have been three pennies, or $67\frac{1}{2}$ grains of silver; that of the triens, the third of a penny, or $7\frac{1}{2}$ grains of silver.

These conclusions, as we have intimated, are not unattended with some difficulties; but they seem, on the whole, to be tolerably well made out, and at any rate it would only embarrass the statement, without adding any information of the least interest or value for our present purpose, to enter upon a discussion of the doubts or objections that have been raised upon certain points.

One of the main hinges on which the investigation of the subject of the Saxon money turns is the question of the nature and value of the shilling.

The Norman shilling, like that of the present day, was the twentieth part of the pound, and consisted of twelve pence; and this is the scale according to which the payments in Domesday Book are commonly stated. The scill or scilling of the Saxons is the denomination of money most frequently mentioned in their laws and writings, and it appears to have been that in which sums were usually reckoned; yet no Saxon shilling has ever been found, and the different ancient accounts and computations in which it is mentioned seem to be only reconcileable upon the supposition that it was of fluctuating value. Both these facts go to support the conclusion that the shilling was not a coin, but only a denomination of money of account. At one time it appears to have contained five, and at another only four pennies; if there were not indeed two sorts of shillings circulating together of these different values.* When the shilling contained five pennies its value was the forty-eighth part of the pound, or $112\frac{1}{2}$ grains troy of silver; when it contained four pennies only, it was the sixtieth part of the pound, and its value was only 80 grains troy of silver. The principal evidence for there ever having been a shilling containing

* Mr. Ruding is inclined to think that this was the case. See his *Annals of the Coinage*, i. 310.

only four pennies is a law of Athelstan, in which 7200 shillings are distinctly stated to be equal to 120 pounds ; in which case there must have been 60 shillings in each pound. But there is equally good evidence that five pennies was the value of the shilling both before and after the time of Athelstan ; and it has therefore been supposed that the shilling was depreciated by that king, and afterwards restored to its ancient value. In the laws of Canute the shilling appears clearly to be reckoned the forty-eighth part of the pound ; and Ælfric, the grammarian, who wrote in this age, expressly states that there were five pennies in the shilling.

If the mancus ever was a coin, Mr. Ruding is of opinion that it became latterly merely a denomination of money of account. The commonly received etymology of the word, from the Latin *manu cusum*, struck with the hand (though this etymology may be doubted), would seem to favour the notion that it had been a coin at one time ; but, as we find the mancus of silver mentioned as well as the mancus of gold, it must be concluded that the name came to be afterwards used as that simply of a certain sum, for it is improbable that any coin was in use of so large a size as a silver mancus would have been. The value of the mancus is stated by Ælfric to have been thirty pennies, in the same passage in which he states five pennies to have made a shilling. The mancus, therefore, contained six Saxon shillings, or was of the value of 675 grains troy of silver, being rather more than is contained in seven of our present shillings. It is observable that a gold coin, sometimes called a mancus, in other cases known by other names, circulated during the middle ages in many countries both of Europe and the East, the weight of which was 56 grains troy, which would be just about the weight of gold equivalent to thirty Saxon pennies, on the supposition, which other considerations render probable, that the relative value of gold and silver was then as twelve to one. Of this weight were the mancuses or ducats of Italy, Germany, France, Spain, and Holland, the sultani of Constantinople, the sequins of Barbary, and the sheriffs of Egypt.

The mark used to be supposed the same with the mancus, but this opinion is now quite exploded. The mark appears to have been a Danish denomination of money, and to have been introduced into this country by the Danish settlers, the first mention of it being found in the articles of agreement between Alfred and Guthrun. Some of the notices would seem to imply that, at first, the mark was accounted equivalent in value to only a hundred Saxon pennies; but it certainly came eventually to be estimated at one hundred and sixty pennies, that is, at two-thirds of the pound. Two-thirds of a pound is still the legal value of a mark. The mark, therefore, may be set down as of the value of 3600 grains troy of silver. The mark has never been supposed to be a real coin, except by those who have taken it for the same with the mancus.

The ora was also a Danish denomination, and appears to have been the eighth part of the mark. Its value, therefore, would be twenty Saxon pennies, or 450 grains troy of silver. There appears also, however, to have been an ora which was valued at only sixteen pennies.

The amount of silver, 5400 troy grains, which made an Anglo-Saxon pound, is now coined into 2*l.* 16*s.* 3*d.* sterling. The value, therefore, of each of the Saxon coins, according to the view that has now been taken, would be as stated in the following Table. (See p. 81.)

The Saxon coins are generally sufficiently rude in workmanship; and this circumstance has been used as an argument to prove that the Saxons brought the art of coining with them to Britain from Germany, and did not acquire it by imitation of the Roman models. The earliest Saxon coin that has been appropriated is one in silver (a penny apparently, though commonly called a sceatta) of Ethelbert, king of Kent, who reigned from 561 to 616, the patron of St. Augustine. As the coin does not exhibit the usual Christian symbol of the cross, it may be presumed to have been struck before the year 597, in which Ethelbert was baptised. According to Mr. Ruding's description, "it bears on the obverse the name of the monarch, and on the reverse a rude figure, which occurs on many of the sceattæ, and which is supposed to

The Pound.—Money of Account	equivalent to .5400 grains troy of silver, or	£2 16 3
The Mark,	ditto	3600
The Mancus,	ditto (probably)	675
The Ora,	ditto	450
The Greater Shilling,	ditto (probably)	112 <i>½</i>
The Smaller Shilling,	ditto (probably)	90
The Thrimsa,	ditto (probably)	67 <i>½</i>
The Penny.—Silver Coin,	weighing .	22 <i>½</i> , value in sterling money about
The Triens,	ditto (probably)	15
The Halfpenny,	ditto	11 <i>½</i>
The Farthing,	ditto (perhaps)	about 5 <i>½</i>
The Styca.—Copper Coin,	equivalent to about	2 <i>½</i> about $\frac{1}{2}$ of a Farthing.

be intended to represent a bird." But other coins ~~that~~ exist without names, or with names that cannot be deciphered, may be older than this. Besides the kings of the different states of the Heptarchy, and afterwards of all England, the Archbishops of Canterbury and York had mints and issued money in the Anglo-Saxon times. In addition to the name of the king or the archbishop, the coins usually contain that of the moneyer by whom they were struck, and from the time of Athelstan also that of the town where the mint was situated. The later kings appear to have usually had numerous moneyers, and mints in all the principal towns throughout the kingdom.*

Besides the coins of their own minting, several foreign coins appear to have circulated among the Anglo-Saxons, especially the byzantine gold solidi, commonly called byzantines, or byzants, each weighing seventy-three grains troy, and being of the value of forty Saxon pennies, or (at their estimation of the relative values of gold and silver) nine shillings and fourpence-halfpenny of our present money. Thus St. Dunstan is recorded to have purchased the estate of Hindon (now Hendon), in Middlesex, from King Edgar, for 200 gold byzantines, and then to have presented it to the monks of St. Peter in .

* Complete lists of the moneyers and mints in each reign, as far as they can be recovered, are given in Ruding's elaborate and exact Annals of the Coinage, 2nd Edit. 5 vols. 8vo. and 1 4to. of Plates, Lond. 1819. On the subject of the Anglo-Saxon Coinage, the reader may also consult Bishop Fleetwood's Chronicon Preciosum, 2nd Edit. 8vo. Lond. 1745; the Introduction to Leake's Historical Account of English money from the Conquest, 2nd Edit. 8vo. Lond. 1745 (but the views of these earlier writers have been corrected in some important respects by the results of subsequent investigation); Pegge's Dissertations on some Anglo-Saxon Remains, 4to. Lond. 1756; Clarke's Connection of the Roman, Saxon, and English Coins, 4to. Lond. 1767 (both Pegge and Clarke endeavour to show that the Saxons coined gold); and Folkes's Tables of English Coins, published at the expense of the Society of Antiquaries, 4to. Lond. 1763 (in this work was announced the important discovery that the Saxon pound was the Old Tower or Cologne pound).

Westminster.* There were also silver byzantines, which, according to Camden, were valued at two shillings each. At an early period even some of the Roman imperial money might remain in use. "That gold and silver," Mr. Turner remarks, "had abounded in the island while it was possessed by the Romans and Britons, the coins that have been found at every period since, almost every year, sufficiently testify; and it was the frequency of these emerging to view which made treasure-trove an important part of our ancient laws, and which is mentioned by Alfred as one of the means of becoming wealthy."†

Slaves and cattle passed also as a sort of circulating medium during this period so generally that they are spoken of as living money. Cattle, the first wealth of mankind, were probably in most countries the first money; that is to say, commodities were valued at so many cattle, and cattle were commonly given in exchange for all other things. When metal money, therefore, was first introduced, it was looked upon not as a convenient representative of commodities or property of all kinds, but only as a substitute for cattle; some of the oldest coins have the figures of cattle stamped on them; and in some languages money was actually called cattle. Thus *pecus*, cattle, is the origin of the Latin *pecunia*, money, and of our English *pecuniary*. The same thing is very curiously shown by the history of another still existing term, the word *mulet*, meaning a fine or pecuniary penalty. *Mulct* is a translation of the Latin *multa*, or, as it is more properly written, *multa*, which was an ancient Roman law-term for a fine, but which the Roman lawyers and antiquaries themselves, as we learn from Aulus Gellius, admitted to have originally meant a sheep, or rather a ram. Varro asserted that it was a Samnite word, and that the Samnites, the descendants of the old Sabines, had used it in that sense within his own recollection. It is remarkable that the original word still survives, in its original signification, in the Celtic dialects of Ireland and Scotland, in

* Camden's Britannia, 399.

† Hist. Ang.-Sax. iii. 237.

the former of which a wether is to this day *molt*, and in the latter *mult.** Hence, in fact, come the French *mouton*, and our English *mutton*. The Anglo-Saxons, it would appear, although they had metallic money, had not completely passed out of the state of only commencing civilization in which cattle serve the purposes of money. A certain value seems to have been affixed by the law to horses, cows, sheep, and slaves, at which they might be seized by a creditor in payment of a debt due to him ; and it is supposed that all kinds of fines, or pecuniary penances, imposed either by the state or the church, might be discharged either in dead or living money. The church, however, which, to its honour, from the first opposed itself to slavery, and greatly contributed by its systematic discouragement and resistance to put down that evil, early refused to accept of slaves instead of money in the payment of penances.

In the parts of Britain not occupied by the Saxons, it may be doubted if during the present period any metallic money was coined. No coins either of Scotland or of Wales of this antiquity have ever been found. Considering the intercourse, however, that in the later part of the period subsisted between both of these countries and England, it is impossible to suppose that, although they may not have minted any money themselves, they could be unacquainted with its use. A few of the Saxon coins probably found their way both to the Welsh and Scotch, and supplied them with a scanty circulation. The Welsh laws, indeed, show that the denominations, at least, of money were familiarly known to that people ; but they seem to show, also, by the anxious minuteness with which they fix the price of almost every article that could become the subject of commerce, that a common representative of value and medium of exchange was not yet in common use. These Welsh laws, for instance, in one section, lay down the prices of cats, of all different ages, and with a most elaborate discrimination of species and properties. This may be regarded as a rude attempt to

* *Thoughts on the Origin and Descent of the Gael*, by James Grant, Esq., of Corrimony, 8vo. Lond. 1828, p. 145.

provide a substitute for barter without a coinage ; but the system which it would aim at establishing is in reality anything rather than an improvement of simple, unregulated barter. The real price, or exchangeable value, of a commodity, depending as it does upon a variety of circumstances which are constantly in a state of fluctuation, is essentially a variable quantity, and we can no more fix it by a law than we can fix the wind. A law, therefore, attempting to fix it would only do injustice and mischief ; it would, in so far as it was operative, merely substitute a false and unfair price of commodities for their natural and proper price.

When the prices of commodities, however, are thus settled by the law, it may be presumed that the prices assigned are those generally borne by the commodities at the time ; and in this point of view the law becomes of historic value as a record of ancient prices. Thus, from one of the Saxon laws of King Ethelred we learn that in England the common prices of certain articles, about the end of the tenth century, were as follows :—

			£. s. d.
Of a Man, or slave	A pound . . .	equivalent to	2 16 3 sterl.
Horse . . .	Thirty shillings	"	1 15 2
Mare or colt.	Twenty shillings	"	1 3 5
Ass or mule.	Twelve shillings	"	0 14 1
Ox . . .	Six shillings	"	0 7 0 $\frac{1}{2}$
Cow . . .	Five shillings	"	0 5 6
Swine . . .	One shil. and 3 pennies	"	0 1 10 $\frac{1}{2}$
Sheep . . .	One shilling	"	0 1 2
Goat . . .	Two pennies	"	0 0 5 $\frac{1}{2}$

We are not to suppose, however, that these legal rates were always adhered to in actual sales and purchases. The prices of all commodities among the Saxons no doubt rose and fell as they do at present, and with much more suddenness and violence than now ; for, in that rude period, from the scarcity of capital, and the comparatively little communication between one place and another, supplies of all kinds were necessarily much more imperfectly distributed than they now are over both time and space ; and any deficiency that might, from any cause, occur, was left to press with its whole severity upon the particular moment and the local market, without the

greater abundance of other places or other seasons being admitted to relieve it. Comparative, though not absolute steadiness of prices, or at any rate a steady and calculable, in lieu of an irregular and jolting movement of prices, especially of those of the great necessities of subsistence, is, on the whole, the accompaniment of an advanced civilization, the general character and result of which, indeed, may be said to be to repress irregularities of all kinds, and to bring all social processes nearer and nearer to the equability of those of mechanics. Several of the articles enumerated in the above list we find mentioned elsewhere as bearing a variety of other prices. In one case, for instance, we find a slave purchased for half a pound ; in another, for an yre of gold (the amount of which is not known) ; in another, for three mancuses, or about a guinea ; in another, for five shillings and some pence.* In these purchases it is generally mentioned that, besides the price, the toll was paid. "The tolls mentioned in some of the contracts for slaves," observes Mr. Turner, "may be illustrated out of Domesday Book. In the burgh of Lewes it says that at every purchase and sale money was paid to the gerefa : for an ox, a farthing was collected ; for a man, four pennies." Slaves, of course, differed very considerably from one another in real value. On the other hand, the same sum at which a sheep is here rated at the end of the tenth century appears to have been also its legal price three hundred years before. At least, in the laws of Ina, king of the West Saxons, who reigned at the close of the seventh century, a sheep with its lamb is valued at a shilling. In another of Ina's laws, the fleece alone is valued at two pennies, that is, at two-fifths of the price of the entire sheep and lamb. This high price of wool, as has been mentioned above, is accounted for on the supposition that there was some foreign trade in that commodity in the Anglo-Saxon times. By a law of Edgar, in the latter half of the tenth century, the highest price which could be taken for a weigh of wool was fixed at half a pound of silver ; "be-

* See these instances collected by Mr. Turner, from Hickes and other authorities, in Hist. Ang.-Sax. iii. 90.

ing," observes Mr. Macpherson, "if the weigh contained then, as now, 182 pounds of wool, near three-fourths of a [Saxon] penny (equivalent to nearly twopence in modern money) for a pound; a price which, as far as we are enabled to compare it with the prices of other articles, may be thought high."*

Of the prices of articles, however, in the Anglo-Saxon times, with the exception of some articles of agricultural produce, we scarcely know anything. Money being then comparatively scarce, the prices of most commodities were of course much lower than they now are—that is to say, they might be purchased for a much smaller amount of money. But there is no uniform proportion between the prices of that period and those of the present day, some things being nominally dearer than they now are, as well as many others nominally cheaper. Books, for instance, were still scarcer than money; and accordingly their prices were then vastly higher than at present. It follows, that no correct estimate can be formed of the proportion generally between the value of money in those times and its value at present; for the calculation that might be true of some articles would not hold in regard to others.

* *Annals of Commerce*, i. 288.

CHAPTER III.

FROM THE NORMAN CONQUEST TO THE DEATH OF KING JOHN. A.D. 1066—1216.

THE Norman Conquest, by the closer connexion which it established between our island and the continent, must have laid the foundation for an ultimate extension of English commerce; but a revolution which so completely overturned the established order of things, and produced so much suffering to the body of the population, could not be favourable, in the first instance, or until after the lapse of a considerable space of time, either to the foreign trade of the country, or to the national industry in any of its other branches. For the first four reigns after the Conquest, accordingly, the notices that have come down to us on the subject of the national commerce are still comparatively few and unimportant.

When the Normans first came over, however, they found England a country possessed of considerable capital, or accumulated wealth, and also, as it would seem, of a flourishing foreign commerce, which had, no doubt, chiefly grown up in the long and, for the greater part, tranquil reign of the Confessor. William of Poictiers gives a glowing account of the quantities of gold and silver and other precious effects which the Conqueror carried with him on his first visit to Normandy, and of the admiration which these spoils excited both in the Normans themselves and in strangers from other parts of the continent by whom they were seen. He expressly testifies that merchants from distant countries were at this time wont to import to England articles of foreign manufacture that were unknown in Normandy. He mentions also in other passages the great wealth of the native or resident merchants both of London and Winchester. Exeter was another town distinguished for its opulence; and Ordericus Vitalis relates, that when it was attacked

by the Conqueror, in 1068, there were in the harbour a great number of foreign merchants and mariners, who were compelled by the citizens to assist them in their defence. These notices occur incidentally in the relation of political transactions or military events ; no chronicler has thought it worth his while to enumerate either the various points at which this foreign commerce was carried on, or the articles in the exchange of which it consisted. If our information were more complete, we should probably find that it was shared by various other towns besides those that have been mentioned. There is reason to believe that Hastings, Dover, Sandwich, and the other towns on the coast nearest to France, which afterwards came to be distinguished as the Cinque Ports, and also Lincoln, and York, and other places in the more northern parts of the kingdom, all at this time maintained some commercial intercourse with the continent—with Italy, and perhaps also with Spain, as well as with France and the north of Europe or Germany. An active trade, as noticed in the last Chapter, also seems to have existed between Ireland and both Bristol and Chester on the west coast.

The principal exports at this early period were probably the same that for many ages after constituted the staples of our trade with foreign countries, namely, the natural productions of the island—its tin and lead, its wool and hides, and sometimes perhaps also its beeves, and the other produce of the same description reared in its pastures and forests. We find a regular trade in these and other articles established at the most remote date to which it is possible to carry back the history of English commerce : and it may be safely presumed that they were the commodities for which the island was resorted to by foreign merchants from the earliest times. As for corn, it was probably at this date, as it long afterwards continued to be, sometimes an article of export, sometimes of import. The articles we have enumerated were, no doubt, those in the production of which the industry of the great body of the people was employed. The only manufacture for their skill in which the English were as

yet eminent, was the working in gold and silver ; and William of Poictiers states that the best German artists in that department found themselves encouraged to come and take up their residence in the country. From this, we may presume that the chief demand for their productions and those of the native artists of the same class was among the English themselves ; but, from the high repute of the English workmanship, some of the embroidered stuffs, of the vases, ornamented drinking-cups, and other similar articles fabricated here, would, no doubt, also be sent abroad. Considerable quantities of the precious metals must have been consumed in the manufacture of these articles ; and it is not unlikely that the supply was in great part obtained from Ireland, where it is agreed on all hands that, whencesoever it may have been obtained—whether from native mines, or from the ancient intercourse of the island with the East, or from the Northmen, enriched by the spoils of their piracy, who had conquered and occupied a great part of the island in the period immediately preceding that with which we are now engaged—there was formerly an extraordinary abundance of gold and silver, of the former especially.*

* “ It appears that there were greater stores of the precious metals in Ireland than could well be supposed. Large sums of gold and silver were frequently given for the ransom of men of rank taken in battle ; and duties or rents, paid in gold or silver, to ecclesiastical establishments, occur very often in the Irish annals. At the consecration of a church in the year 1157, Murha O’Lochlin, king of Ireland, gave a town, 150 cows, and 60 ounces of gold, to God and the clergy : a chief called O’Carrol gave also 60 ounces of gold ; and Tieran O’Ruark’s wife gave as much—donations which would have been esteemed very great in that age in England or upon the continent. What superstition so liberally gave, some species of industry must have acquired ; and that was most probably the pastureage of cattle . . . unless we will suppose that the mines of Ireland, which, though unnoticed by any writer, seem to have been at some time very productive, were still capable of supplying the sums collected in the coffers of the chiefs and the clergy.”—*Macpherson’s Annals of Commerce*, vol. i. p. 384.

William of Malmesbury, it may be observed, seems to speak of the trade between England and Ireland as one which the former country could dispense with without any serious inconvenience, but upon which the latter was dependent for the necessaries of life. He tells us that upon one occasion, when the Irish monarch, Murcard (or Murtach) O'Brien, behaved somewhat haughtily towards Henry I., he was speedily humbled by the English king prohibiting all trade between the two countries ; " for how wretched," adds the historian, " would Ireland be if no goods were imported into it from England." Perhaps English agricultural produce was exchanged for Irish gold.

In the violent transference and waste of property, however, that followed the Conquest, and the long struggle the invaders had to sustain before they made good their footing in the country, the wealth, and commerce, and general industry of England must all have received a shock from which it was not possible that they could rapidly recover. The minds and the hands of men were necessarily called away from all peaceful pursuits, and engaged in labours which produced no wealth. Nor was the system of government and of society that was at last established favourable, even after its consolidation and settlement, to trade and industry. It was a system of oppression and severe exaction on the one hand, depriving the industrious citizen of the fruits of his exertions and of the motive to labour ; and, on the other hand, it was a system of which the animating principle was the encouragement of the martial spirit, to which that of trade and industry is as much opposed as creation is opposed to destruction.

Two charters were granted to the city of London by the Conqueror, and a third by Henry I. ; but it is remarkable, that not even in the last-mentioned, which is of considerable length, and confers numerous privileges, is there anything relating to the subject of commerce, with the exception of a clause, declaring that all the men of London and their goods should be exempted throughout England and also in the ports from all tolls and other

customs. There is no reference to the city itself as a great mart, or to either its shipping or its port. Even in the general charter granted by Henry I., on his accession, there is not a word in relation to commerce or merchants. It is stated, however, by William of Poictiers, that the Conqueror invited foreign merchants to the country by assurances of his protection.

The numerous ships in which the Conqueror brought over his troops—amounting, it is said, in all, to about 700 vessels of considerable size, besides more than three times that number of inferior dimensions—must have formed, for some time, a respectable royal navy. William of Poictiers informs us that the first care of the duke, after disembarking his men, was to erect defences for the protection of his ships; and most of them were, doubtless, preserved, and afterwards employed in war or commerce. It is the opinion of a late writer, that the numerous fleet thus brought over by the Conqueror, “when not engaged in ferrying himself and his armies to and from the continent, was probably employed in trading between his old and new territories and the adjacent coasts of France and Flanders, which were all now connected with the new masters of England.”* We find a naval force occasionally employed in the wars even of the first English kings after the Conquest. The Saxon Chronicle states that, when the Conqueror made his expedition against Scotland in 1072, he sent a fleet to attack that country by sea, at the same time that he invaded it in person at the head of his army. Good service was done for Rufus against his brother Robert by the privateers which he permitted his English subjects to fit out in the beginning of his reign. A fleet was also equipped by Henry I., to oppose the threatened invasion of Robert, on his accession, the greater part of which, however, deserted to the enemy. Provision, indeed, was made by the Conqueror for the defence of the kingdom, whenever it should become necessary, by a naval force, by means of the regulations which he established in re-

* *Macpherson's Annals of Commerce*, i. 307.

gard to the Cinque Ports—originally Hastings, Hythe, Romney, Dover, and Sandwich—each of which towns was bound, upon forty days' notice, to furnish and man a certain number of ships of war, in proportion probably to its estimated wealth or population. Other towns in different parts of the coast also appear to have held of the crown by the same kind of service.

One of the old Saxon laws revived or continued by the Conqueror, and the only one in the collection of enactments which passes under the name of his Charter having any reference to trade, is the prohibition against all purchases above a certain amount, except in the presence of witnesses. "No one shall buy," it is declared, "either what is living or what is dead, to the value of four pennies, without four witnesses, either of the borough or of the village."

About the year 1110, Henry I. established a colony of Flemings in the district of Ross, in Pembrokeshire. These foreigners had come over in the reign of the Conqueror, driven from their native country, it is said, by an inundation of the sea, and they had been settled, in the first instance, chiefly about Carlisle and the neighbouring ports, and, as it would seem, with a view merely to the service their hardihood and skill in war might be of in the defence of the northern frontier of the kingdom. But they were as dexterous in handling both the plough and the shuttle as the sword. Henry is said to have been induced to remove them to Wales, by finding that they and the English, with whom they were mixed, did not agree well together. In the district of which he put them in possession, and which he had taken from the Welsh, they maintained their ground against all the efforts of the hostile people by whom they were surrounded to dislodge them, and soon came to be regarded as the force to be mainly depended upon for keeping the Welsh in check. By these Flemings the manufacture of woollen cloths appears to have been first introduced into this country; and it is supposed that they soon came to be made for exportation as well as for home consumption. Giraldus Cambrensis describes the foreigners as "a people

excellently skilled both in the business of making cloth, and in that of merchandise, and always ready with any labour or danger to seek for gain by sea or land."^{*} It is probable that they also introduced some improvement in agriculture ; and, altogether, the example of industry, activity, and superior acquirements set by this interesting colony—the last, as it has been remarked, of any consequence settled in any part of the island till the coming over of the French Protestant silk-weavers, after the revocation of the edict of Nantes in 1685—could not fail to be of high public benefit. Their language was very nearly the same with the English ; and the district in which they dwelt, it seems, used to be called Little England beyond Wales ; in fact, they made the whole county of Pembroke, though lying at the further extremity of Wales, an English county. Henry II. afterwards added to their numbers by permitting some of those of their countrymen who had served as mercenaries under Stephen to settle among them. It is said that the descendants of these Flemings may still be distinguished from their Welsh neighbours.

The Flemings were indebted, both for the welcome reception they met with in the first instance, and for the permanent settlement they obtained, to their martial more than to their commercial skill—to their being a people, as Giraldus expresses it, equally most ready, now at the plough—now at the sword.[†] The Jews, who came over in great numbers soon after the Conquest, were a people of altogether another stamp. Precluded by their religion from engaging in the wars of any of the European nations among whom they had settled, they had become mere traders, and were, indeed, men of peace in a more strict sense than any other class of persons in those days, the clergy themselves not excepted. Independently, therefore, of the odium to which their faith exposed them,

* *Itinerar. Camb. i. ii.* Giraldus adds, that they were admirably skilled in soothsaying, by the inspection of the entrails of beasts !

† *Nunc ad aratra, nunc ad arma, gens promptissima.*

their habits made them in a peculiar degree objects of hatred and contempt to the warlike population of England and the other countries in which they took up their residence. Yet almost wherever commerce had taken any root, there were they to be found, pursuing perseveringly under obloquy, danger, and the cruellest oppression, their peculiar trade. To draw down upon them still more of the popular suspicion and dislike in a rude and ignorant age, that trade was not any species of industry by which produce of any kind was visibly created ; it did not necessarily imply even the exertion of any peculiar powers or acquirements ; it was labour neither of the hand nor of the head. Yet it was, in truth, a trade as essential to the creation of wealth as any labour. The Jews were the capitalists of those times ; they were dealers in that other element, by a combination with which alone it is that labour itself can, in the creation of wealth, accomplish any extraordinary results. Even in that dark and turbulent age the inherent power of property was strikingly evinced in their case, by the protection which it long secured to them, notwithstanding all the hostility of the popular feeling, and the disregard of them by the law itself. It was early found necessary to support them in their rights over their debtors ; and, while affairs went on in their ordinary course, it does not appear that a Jew ever had any greater difficulty in recovering the money owing to him than a Christian. The law, indeed, seems to have considered the Jews as the property of the king ; and he oppressed and plundered them to any extent that he deemed prudent. But he did not usually allow them to be injured by others ; and perhaps, indeed, they were more secure under the royal protection than they would have been under that of the law. Some of the kings, William Rufus in particular, excited much popular clamour by favouring them, as it was alleged, too much. Their wealth enabled them, at different times, to purchase charters from the crown. For one which they obtained from King John, and which is styled a confirmation of their charters, they are recorded to have paid four thou-

sand marks ; and it refers to previous charters which they, had received both from Henry I. and Henry II.*

There are traces of an intercourse having subsisted between these islands and the East from the remotest times. The mere derivation of the people of Europe from Asia most probably, of itself, had always kept up some connexion between the East and the West ; neither the Gothic nor the earlier Celtic colonists of Europe seem to have ever altogether forgotten their Oriental origin ; the memory of it lives in the oldest traditions alike of the Irish and of the Scandinavians. But even within the historic period we find a succession of different causes operating to keep up a connexion between Britain and the East. As long as the island was under the dominion of the Romans it was of course united by many ties, and by habits of regular intercourse, with all the other parts of the extended empire to which it belonged. Afterwards, in the Saxon times, the establishment of Christianity in the country contributed in various ways to maintain its connexion with the East. The Greek learning, and probably also some of the Greek arts, were introduced by Archbishop Theodore and other churchmen from Asia : at a later date we find Alfred despatching a mission to the Christians in India ; and not long afterwards we find pilgrimage to the Holy Land becoming a common practice. From this practice we may most properly date the commencement of our modern trade with the East ; it has ever since been a well established and regular intercourse. The pilgrims, from the first, very generally combined the characters of devotees and merchants. Then, towards the close of the eleventh century, commenced the crusades, which for nearly two hundred years kept, as it were, a broad highway open between Europe and Asia, along which multitudes of persons of all sorts were continually passing and repassing.

Some curious evidences of the extent to which eastern commodities now began to find their way to the remotest

* Madox, Hist. Excheq., p. 174.

extremities of Europe may be collected from the records of the times. One very remarkable notice occurs in the Registry of the Priory of St. Andrew's, in Scotland, in which it is related that Alexander I., when bestowing a certain endowment of land upon the church of that city, presented at the same time an Arabian horse which he was wont to ride, with his bridle, saddle, shield, and silver lance, a magnificent pall or horse-cloth, and other Turkish arms (*arma Turchensia*) of various descriptions. He caused the horse, arrayed in its splendid furniture, to be led up to the high altar of the church ; and the record adds that the Turkish armour, the shield, and the saddle were still preserved there, and shown to the people, who came from all parts of the country to behold them. Alexander reigned from 1107 till 1124 ; and this account is written in the reign of his brother and successor, David I.*

But the most precious gift which Europe obtained from the East within the present period was the knowledge of the art of rearing and managing the silk-worm. Cloth of silk had long been known in England and other European countries, to which it was brought in a manufactured state from Greece and other parts of the East. Afterwards the Saracens introduced the art of weaving silk into Spain. The silk-worm, however, was first brought from Greece in 1146, by Roger, the Norman king of Sicily, who, in an expedition which he led against Athens, Thebes, and Corinth, carried off a great number of silk-weavers from these cities, and settled them in his capital of Palermo. From them the Sicilians learned both how to weave the cloth and how to rear the worm ; and within twenty years from this time the silk fabrics of Sicily were celebrated over Europe. It is not till some centuries later that we have any accounts of the establishment of any branch of the manufacture in this country ; but from

* Extracts from the Register of St. Andrew's, printed in Pinkerton's Inquiry into the History of Scotland preceding the reign of Malcolm III., i. 464. The circumstance is also mentioned by Wynton, who is, however, a much later authority.

about this time we find silks becoming much more abundant in England as well as in the other countries of Europe than formerly—and they must now have been imported, probably from Spain, Sicily, and Italy, as well as from Asia, in considerable quantities.

It so happens that rather more information has come down to us respecting the commerce of Scotland than of England during the first half of the twelfth century. We have not only some very interesting notices respecting David I., who reigned from 1124 till 1153, from the historian Ailred, or Aldred, who was educated in Scotland along with Prince Henry, David's eldest son; but we have also a collection of the laws and customs of the burghs of Scotland, which professes to be as old as the reign of the same king, and is generally admitted to be, in the greater part, of that antiquity. Ailred celebrates the attention of David to foreign commerce. He exchanged, he says, the produce of Scotland for the wealth of other kingdoms, and made foreign merchandize abound in his harbours. Among the laws of the burghs attributed to him the following may be quoted as referring to trade with other countries:—By chap. 10, all goods imported by sea are ordered not to be sold before being landed, except salt and herrings; by chap. 18, foreign merchants are prohibited from buying wool, hides, or other goods, from any but burghesses; and by chap. 48, the lands of all persons trading to foreign countries are exempted from seizure for any claim whatever during their absence, unless they appeared to have withdrawn on purpose to evade justice. From this regulation it would appear that some of the Scottish merchants already traded themselves to foreign parts. Another of these burgh laws prohibits all persons except burghesses from buying wool for dyeing or making into cloth, and from cutting cloth for sale, except the owners of sheep, who might do with their own wool what they chose. The manufacture of woollen cloth had, therefore, been by this time introduced into Scotland. The art had probably been taught to the inhabitants of that country by settlers from England. William of Newburgh, writing about

twenty years after the death of David, says that the towns and burghs of Scotland were then chiefly occupied by English inhabitants. We know, too, that in the next reign numbers of Flemings left England and took refuge in Scotland. "We can trace the settlement of these industrious citizens," says Mr. Tytler, "during the twelfth and thirteenth centuries, in almost every part of Scotland; in Berwick, the great mart of our foreign commerce; in the various towns along the east coast; in St. Andrew's, Perth, Dumbarton, Ayr, Peebles, Lanark, Edinburgh; and in the districts of Renfrewshire, Clydesdale, and Annandale. There is ample evidence of their industrious progress in Fife, in Angus, in Aberdeenshire, and as far north as Inverness and Urquhart. It would even appear, from a record of the reign of David II., that the Flemings had procured from the Scottish monarchs a right to the protection and exercise of their own laws. It has been ingeniously conjectured that the story of Malcolm IV. having dispossessed the ancient inhabitants of Moray, and of his planting a new colony in their stead, may have originated in the settlement of the Flemings in that remote and rebellious district. The early domestic manufactures of our country, the woollen fabrics which are mentioned by the statutes of David, and the dyed and shorn cloths which appear in the charter of William the Lion to the burgh of Perth, must have been greatly improved by the superior dexterity and knowledge of the Flemings; and the constant commercial intercourse which they kept up with their own little states could not fail to be beneficial in imparting the knowledge and improvements of the continental nations into the remoter country where they had settled."* A manuscript in the Cottonian Library, the work of a contemporary writer, is quoted by Mr. Macpherson for the fact, that in the reign of David I., the Frith of Forth was frequently covered with boats manned by English, Scottish, and Belgic fishermen, who were attracted by the great abundance of fish (most probably herrings) in the

* History of Scotland, ii. 287.

neighbourhood of the island of May. Anderson speaks of the Netherlanders resorting to Scotland so early as about the year 836, for the purpose of buying salted fish of the Scotch fishermen; * but his authority for this statement is not known. Mr. Macpherson considers the passage in the Cottonian Manuscript to be "the very first authentic and positive notice of a fishery, having any claim to consideration as a commercial object, upon the North British coast." He also doubts if it be not "the earliest notice of English fishermen going so far from their own ports on a fishing voyage, if they were indeed subjects of England; for in the age of the writers here quoted the Scottish subjects on the south side of the Frith of Forth were called English." †

The long reign and able and successful government of Henry II. not only enabled the commerce of England to recover from the depression under which it had languished during the whole of the turbulent and miserable reign of his predecessor, but eventually raised it to an extent and importance which it had certainly never attained either since the Conquest or before it, at least since the departure of the Romans. The intercourse, in particular between this country and France, must immediately have been placed upon a new footing, and no doubt greatly augmented, both by the restoration of the old connexion with Normandy, and still more by Henry's acquisition through his marriage of the great Duchy of Aquitaine, which gave the English crown the dominion of all the French coast from Picardy to the Pyrenees. Some years afterwards the conquest of Ireland, and the establishment in that island of a numerous English population, must have also considerably extended the range, or at least added to the activity, of English commerce in that other direction.

In several contemporary writers we find notices of the commerce of London, and also of other English cities, in this reign. Henry II., in a charter which is without date, but which was probably granted soon after he came

* Origin of Commerce, i. 77. (Edit. of 1787.)

† Annals of Commerce, i. 325.

to the throne, confirmed to the citizens of London all the privileges which they enjoyed under his grandfather, with some others in addition, none of which, however, have any particular reference to the commerce of the city. The fullest and most curious account we have of London at this period is that given in the introduction to a Latin life of Becket by a monk of Canterbury, of Norman descent, named William Fitz-Stephen, or Stephanides, as he calls himself in Latin, which appears to have been written about 1174. He says that no city in the world sent out its wealth and merchandize to so great a distance ; but he has not recorded either the descriptions of goods that were thus exported or the countries to which they were sent. Among the articles, however, which were then brought to London by foreign merchants, he enumerates gold, spices, and frankincense, from Arabia ; precious stones from Egypt ; purple cloths from India ; palm-oil from Bagdad ; furs and ermines from Norway and Russia ; arms from Scythia ; and wines from France. The citizens he describes as distinguished above all others in England for the elegance of their manners and dress, and the magnificence of their tables. It was in this reign, it may be observed, that London first became decidedly, what Fitz-Stephen calls it, the capital of the kingdom of England (*regni Anglorum sedes*). Winchester, the ancient royal seat of the West Saxons, although it was the place where the early Norman kings kept their treasury, had begun to decline even before the Conquest, and had sustained such calamities in the civil wars of the time of Stephen that it was never afterwards in a condition to dispute the ascendancy of its rival on the Thames. At this time, according to Fitz-Stephen, and his account is confirmed by Peter of Blois, writing a few years earlier, there were, in the city and suburbs, thirteen large conventional churches and 126 parochial ones. Peter of Blois says, in an epistle to Pope Innocent II., that the population was only 40,000 ; but this is not absolutely inconsistent with the statement of Fitz-Stephen, that in the reign of Stephen there issued from the city, of fighting men, no fewer than 60,000 foot.

and 20,000 horse, since the army assembled in the city, or raised under the orders of its authorities, might very possibly greatly exceed the number of the actual inhabitants. It is most probable, however, that there is an error in the numbers found in Fitz-Stephen's text as it has come down to us. He adds, that the dealers in the various sorts of commodities, and the labourers and artizans of every kind, were to be found every day stationed in their several distinct places throughout the city, and that a market was held every Friday in Smithfield for the sale of horses, cows, hogs, &c. At this time Ludgate, now far within Temple Bar, was the west end of London; the space from thence to Westminster was a tract of fields and gardens: Moorfields was a large lake of water, into which ran several streams turning mills; the rising grounds towards Pentonville and Islington were covered with corn and grass; and a large district of country beyond was a forest, that had probably stood since the creation, in which the citizens hunted wild-boars and other game. According to Fitz-Stephen, the citizens of London were distinguished from those of other towns by the appellation of barons; and Malmesbury, an author of the same age, also tells us that, from their superior opulence and the greatness of the city, they were considered as ranking with the chief people or nobility of the kingdom. "It is filled," he adds, "with merchandize brought by the merchants of all countries, but chiefly those of Germany; and, in case of scarcity of corn in other parts of England, it is a granary where the article may be bought cheaper than anywhere else." It was in London that the Jews chiefly resided, and many of them were no doubt among its wealthiest citizens.

The following are some of the most remarkable particulars that are to be collected from contemporary authorities respecting other English cities at this period. Exeter, according to Malmesbury, was a magnificent city, filled with opulent citizens. Henry of Huntingdon states, that, in consequence of its being the principal port for the mineral productions of the adjacent country, it was so much resorted to by foreign merchants that everything

that could be desired might be purchased there in abundance. Bristol is mentioned by Malmesbury as having a great trade, not only with Ireland, but also with Norway and other foreign countries. Both Gloucester and Winchester are celebrated for the excellence of their wines made from the grapes of the country. For foreign wines, again, Chester would appear to have been one of the chief ports, if we may trust the testimony of a monk of that city named Lucian, whom Camden quotes. According to this authority, ships repaired to Chester in great numbers, not only from Ireland, but also from Gascony, Spain, and Germany, and supplied the inhabitants with all sorts of commodities ; "so that," adds Lucian, "being comforted by the favour of God in all things, we drink wine very plentifully ; for those countries have abundance of vineyards." Dunwich, on the coast of Suffolk, now reduced by the encroachments of the sea to an insignificant village, is described by William of Newburgh as a famous sea-port town, stored with various kinds of riches ; and in the reign of John this town is stated to have paid twice as much rent to the king as any other upon the neighbouring coast. Norwich is described in general terms by Malmesbury as famous for its commerce and the numbers of its population. Lynn is described by Newburgh as a city distinguished for commerce and abundance, the residence of many wealthy Jews, and resorted to by foreign vessels. Lincoln, Malmesbury speaks of as having become one of the most populous seats of home and foreign trade in England, principally in consequence of a canal of about seven miles in length, made by Henry I., from the Trent to the Witham, which enabled foreign vessels to come up to the city. Grimsby is noted by the Norwegian or Icelandic writers as an emporium resorted to by merchants from Norway, Scotland, Orkney, and the Western Islands. York is mentioned by Malmesbury as resorted to by vessels both from Germany and Ireland, though surely it lay very much out of the way of any trade with the latter country. Whitby, Hartlepool, and some other towns on the same part of the east coast, appear to have possessed shipping. Berwick, as already

noticed, was the most eminent of the Scottish towns for foreign commerce. It had many ships. Perth, however, was at this time, properly speaking, the capital of Scotland ; and Alexander Neckham, abbot of Cirencester, Latin poet of this age, says that the whole kingdom was supported by the wealth of that city. Inverleith (now Leith), Striveling (now Stirling), and Aberdeen, are also mentioned in charters as places at which there was some shipping and trade, and where customs were collected. Glasgow was as yet a mere village ; it was made a burgh subject to the bishop, by William the Lion, in 1175 ; but in the charter there is no mention of a guild, of any mercantile privilege, or of any trade whatever, except the liberty of having a weekly market. Edinburgh, though it was probably made a burgh by David I., was of little note till the middle of the fifteenth century. In Ireland, Dublin, which Henry II. granted by a charter in 1172 to be inhabited by his men of Bristol, is spoken of by Newburgh as a noble city, which, it is added, somewhat hyperbolically, might be considered as almost the rival of London for its opulence and commerce.

There are two laws of Henry II. relating to commerce, that deserve to be mentioned. Henry I. had so far mitigated the old law or custom, which made all wrecks the property of the crown, as to have enacted, that, if any human being escaped alive out of the ship, it should be no wreck ; and his grandson still farther extended the operation of the humane principle thus introduced, by decreeing, that, if either man or beast should be found alive in any vessel wrecked upon the coasts of England, Poictou, Gascony, or the isle of Oleron, the property should be preserved for the owners, if claimed within three months. The other law is the last clause of the statute called the *Assize of Arms*, published in 1181 : it very emphatically commands the Justices in Eyre, in their progress through the counties, to enjoin upon all the

* See these and other facts collected, and the authorities cited, by the laborious and accurate Macpherson, Ann. of Com. i. 330—333.

lieges, as they love themselves and their property, neither to buy nor sell any ship for the purpose of its being carried out of England, and that no person should convey, or cause to be conveyed away, any mariner out of England. It has been inferred, from these regulations, that both English ships and English seamen were already held to be superior to those of other countries; but they can only be considered as showing that the naval force of the kingdom had now come to be looked upon as an important arm of its strength, and was the object of a watchful and jealous superintendence.

The only articles that are mentioned as imported into England from foreign countries in this period, are the spiceries, jewels, silks, furs, and other luxuries enumerated by Fitz-Stephen, of which there could not be any very extensive consumption; some woad for dyeing, and occasionally corn, which was at other times an article of export. The exports, on the other hand, appear to have been of much greater importance and value. Henry of Huntingdon enumerates, as being annually sent to Germany by the Rhine, great cargoes of flesh and of different kinds of fish (especially herrings and oysters), of milk, and, above all, of what he calls "most precious wool." He also mentions mines of copper, iron, tin, and lead as abundant; and it appears from other authorities that there was a large exportation both of lead and tin. The roofs of the principal churches, palaces, and castles, in all parts of Europe, are said to have been covered with English lead; and the exports of tin from mines belonging to the crown in Cornwall and Devonshire furnished at this time and for ages afterwards a considerable portion of the royal revenue. It is probable also that hides and skins and woollen cloths were exported, as well as wool. All this could not be paid for by the few articles of luxury above enumerated; and it may therefore be concluded that a large part of the annual returns derived by the country at this time from its foreign trade was received in the form of money or bullion. This supposition is confirmed by the account of Huntingdon, who expressly informs us that the Germans paid for the wool and pro-

visions they bought in silver ; on which account, he adds, that metal is even more plentiful in England than in Germany, and all the money of England is made of pure silver. The balance of trade, then, was what is commonly called in favour of England, unreasonably enough, as if nothing were wealth but gold and silver. The country at this time did not really become richer by exchanging its produce for money, than it would have done by taking foreign produce or manufactures in exchange for it. Nor, even if we should hold money to be the only true wealth, could it have accumulated in the country with more rapidity or to a greater amount under the one system than under the other ; for a country in a given social condition can only retain a certain quantity of money in circulation within it, and that quantity it always will obtain, if it is able to obtain anything else of equivalent value. Money is necessary, and profitable to a certain extent, just as shoes or hats are ; but beyond that extent, neither they nor it are either profitable or necessary—that is to say, something else for which the article could be exchanged would be more useful. The money anciently obtained by England through its foreign trade did not enrich the country, or even remain in it ; so much of it as was not required for the purposes of circulation was as sure to find its way abroad again, as the stone thrown up into the air is to return to the ground.

If the commerce of England had not struck far deeper root, and grown to far greater magnitude and strength, at the time of the death of Henry II. than at that of Henry I., somewhat more than half a century before, the reign of Richard would have been, in proportion to its length, nearly as ruinous to it as was the disorderly and distracted reign of Stephen. All the activity and resources of the country were now turned from trade and industry to the wasteful work of war, which was carried on, indeed, in a foreign and distant land, and therefore did not produce the confusion and desolation within the kingdom that would have resulted from a civil contest ; but, on the other hand, was, doubtless, on that account attended with a much larger expenditure both of money and of human

life. Yet even from Richard's warlike preparations, and the pecuniary burdens which his expedition in other ways brought upon his people, we may collect a few notices of interest in regard to the progress of the commerce, navigation, and wealth of the country. The fleet which carried out his troops to the Holy Land was probably by far the most magnificent that had ever as yet left the English shores, although some of those of former times may have consisted of a greater number of vessels. But the barks, amounting, it is said, to some thousands, in which the Conqueror brought over his army from Normandy, and the four hundred vessels in which Henry II. embarked his forces for the conquest of Ireland, not to speak of the more ancient navies of Edgar and Ethelred in the Saxon times, must have been craft of the smallest size, or what would now be merely called boats. Besides a crowd of vessels of this description—the number of which is not given—Richard's fleet, when it assembled in the harbour of Messina, is said to have consisted of thirteen large vessels, called busses or dromons, fifty-three armed galleys, and a hundred carricks or transports. All these vessels were constructed both to row and to sail, the dromons having three sails, probably each on a separate mast, and both they and the galleys having, as it would appear, in general two tiers or banks of oars. "Modern vessels," says Vinisauf, "have greatly fallen off from the magnificence of ancient times, when the galleys carried three, four, five, and even six tiers of oars, whereas now they rarely exceed two tiers. The galleys anciently called *liburnae* are long, slender, and low, with a beam of wood fortified with iron, commonly called a spur, projecting from the head, for piercing the sides of the enemy. There are also small galleys called galeons, which, being shorter and lighter, steer better, and are fitter for throwing fire."* The fire here alluded to is the famous Greek fire, the great instrument of destruction at this time, both in encounters at sea, and in assaults upon fortified places on shore. This expedition of Richard was the first in

* Translation in Macpherson, Ann. of Com. i. 352.

which an English fleet had accomplished so long and various a navigation ; and, under the conduct of so energetic a commander, it could not fail to give an impulse to the naval progress of the country, and to raise both the military skill and the seamanship of English sailors.

The kingdom had not yet recovered from the exhausting exertions it had made in fitting out this great fleet and army, when it was called upon to raise what was in those days an immense sum for the king's ransom. The agreement was, that before Richard's liberation, his jailor, the emperor, should be paid 100,000 marks of silver, besides 50,000 more afterwards—an amount of money then deemed so great, that a contemporary foreign chronicler, Otto de St. Blas, declines mentioning it, as he could not, he says, expect to be believed. It does not clearly appear how much of the 150,000 marks was paid in all ; but it is stated that 70,000 marks of silver, equal in weight to nearly 100,000*l.* of our money, were remitted to Germany before the king was set free. This money was only raised by the most severe and grievous exactions. It was not all obtained till three successive collections had been made. Four years before this, it may be noted, in the beginning of Richard's reign, the much poorer kingdom of Scotland had repurchased its independence at the cost of 10,000 marks.

A few laws for the regulation of trade are recorded to have been enacted by Richard after his return home. The same year in which he returned, a prohibition was issued against the exportation of corn, "that England," as it was expressed, "might not suffer from the want of its own abundance." The violation of this law is stated to have been punished in one instance with merciless severity : some vessels having been seized in the port of St. Valery, laden with English corn for the King of France, Richard burned both the vessels and the town (which belonged to that king), hanged the seamen, and also put to death some monks who had been concerned in the illegal transaction. He then, after all this wild devastation, divided the corn among the poor. In 1197, also, a law was passed for establishing a uniformity of weights and

measures, and for regulating the dyeing and sale of woollen cloths. The business of dyeing, except in black, it was enacted, should only be carried on in cities and boroughs, in which alone also any dyeing stuffs, except black, were allowed to be sold. It appears that the duties upon woad imported into London in 1195 and 1196 amounted to 96*l.* 6*s.* 8*d.* "If London alone," observes Macpherson, "imported woad to an extent that could bear such a payment (and it will afterwards appear that but a small part of the whole woad imported arrived in London), the woollen manufacture, to which it was apparently mostly confined, must have been somewhat considerable. But there is reason to believe that but few fine woollen goods were made in England, and that the Flemings, who were famous at this time for their superior skill in the woollen manufacture, as is evident from the testimony of several of the English historians of this age, continued for a series of ages to supply most of the western parts of Europe, and even some of the Mediterranean countries, with fine cloths, which the Italians called French cloths, either as reckoning Flanders a part of France (as, indeed, in feudal language it was), or because they received them from the ports of the south coast of that country." Much of the wool used in Flanders, however, appears to have been obtained from England. In the history, indeed, which bears the name of Matthew of Westminster, it is said that all the nations of the world used at this time to be kept warm by the wool of England, which was made into cloth by the Flemish manufacturers. In the patent of incorporation of the guild of weavers in London by Henry II., granted in the thirty-first year of his reign, there is a prohibition against mixing Spanish with English wool in the making of cloth, from which it may be inferred that the wool of England was in this age of superior quality to that obtained from Spain.

From the commencement of his reign, John appears to have affected to favour the interests of the part of the community connected with trade, now daily rising into more importance, and to have courted their support

against the power of the nobility and the clergy. Immediately after his accession, he granted three charters to the citizens of London ; the first generally confirming all their ancient rights and privileges; the second empowering them to remove all kidells, or wears for catching fish, from the rivers Thames and Medway, the navigation of which had been much impeded by these erections, set up by the keeper of the Tower and others; and the third confirming to them the fee-farm of the sheriffwicks of London and Middlesex at the ancient rent, and also giving to them the election of the sheriffs. For these charters he received 3000*l.* He also, probably at the same time, addressed letters to the most important commercial towns throughout the kingdom, promising that foreign merchants of every country should have safe conduct for themselves and their merchandize in coming into and going out of England, agreeably to the due right and usual customs, and should meet with the same treatment in England that the English merchants met with in their countries.* The places to which these letters were sent were the towns of London, Winchester, Southampton, Lynn, the Cinque Ports, and the counties of Sussex, Kent, Norfolk, Suffolk, Dorset, Somerset, Hants, Hertford, Essex, Devon, and Cornwall ; " whence it appears," observes Maepherson, " that the south coast, and the east coast only as far as Norfolk, were esteemed the whole, or at least the chief, of the commercial part of the country." It is certain, however, that several towns beyond these limits had already risen to considerable commercial importance. In a list of towns which in the year 1205 paid the tax called the *quinzième*, or fifteenth, which appears to have been a species of excise or tallage exacted from merchants, we find enumerated the following places in the northern part of the kingdom :—Newcastle in Northumberland ; Yarum, Cotham, Whitby, Scarborough, Headon, Hull, York, and Selby, in Yorkshire ; and Lincoln, Barton, Ymmingham, Grimsby, and

* Maitland's Hist. of London, i. 73—75. Hakluyt's Voyages, i. 129.

Boston, in Lincolnshire. The other towns in the list are **Lynn**, **Yarmouth**, and **Norwich**, in Norfolk; **Dunwich**, **Orford**, and **Ipswich**, in Suffolk; **Colchester** in Essex; **Sandwich** and **Dover** in Kent; **Rye**, **Winchelsea**, **Pevensey**, **Seaford**, and **Shoreham**, in Sussex; **Southampton** in Hampshire; **Exmouth** and **Dartmouth** in Devonshire; **Ese** (now Saltash) and **Fowey**, in Cornwall; and **London**. It will be observed, however, that these are all coast towns, or places having a river communication with the sea; and it surely cannot be supposed that there were not at this time some trading towns in the interior of the country. Either the quinzième was not a duty payable, as has been asserted, by "all persons who made a business of buying and selling, however trifling their dealings might be,"* or this is not a complete list of the places from which it was collected. Besides, not a single place on the western coast of the kingdom is mentioned, not even **Bristol** or **Chester**. We should be disposed to conjecture that the quinzième was only an impost upon foreign commerce, and even perhaps only upon some particular branch or branches of that. This supposition would make somewhat more intelligible the proportions of the whole amount collected which are set down as received from particular towns. It appears that the whole tax at this time yielded about 5000*l.* per annum; while of this total Lynn paid 651*l.*, Southampton 712*l.*, Boston 780*l.*, and London only 836*l.* It cannot for a moment be believed that in their general mercantile wealth London and Boston stood in this relation to each other. To add to the perplexity, we find that three years after this time the merchants of London purchased from the king an entire exemption from paying the quinzième for the small sum of 200 marks, that is to say, for less than a sixth part of the amount of the tax for one year. We must, in these circumstances, suppose the exemption to have been accorded as a mark of royal favour to the city, and the 200 marks to have been paid merely as an acknowledgment. Newcastle is the only other town

* Macpherson, Ann. of Com. i. 371.

the amount paid by which is mentioned; it is set down as paying 158*l.*, and must therefore have already grown to considerable consequence, although only founded little more than a century before this time. Hull also appears for the first time as a place of trade only in the close of the last reign.

That several of the Scotch burghs were at this period possessed of very considerable opulence is testified by their having, in 1209, contributed 6000 marks of the 15,000 which William the Lion bound himself to pay to John by the treaty of Berwick. In this age Mr. Macpherson calculates that 6000 marks would have purchased in Scotland about 240,000 bolls of oats, or 60,000 bolls of wheat. Among other countries, a trade with Norway appears to have been carried on by the Scotch in the beginning of the thirteenth century. Among the articles which are mentioned in the monastic chartularies of the country as paying tithe at this time are wool, corn, butter, cheese, cattle, fish, and flax. From the occurrence of the last article it may be inferred that some linen was already made in Scotland.

It was in the reign of John that their first great naval victory was gained by the English, at the battle of Damme, or of the Sluys, as it is sometimes called, fought in 1213. As yet, however, the country possessed nothing that could properly be called a navy. The royal navy usually consisted merely of merchant-ships collected from all the ports of the kingdom, each of which, as we have seen, was bound, when required by the king, to furnish him with a certain number. In pressing emergencies, indeed, the king seized upon the whole mercantile shipping of the kingdom, or as much of it as he required; "so that in those times," as the historian of commerce observes, "the owners could never call their vessels their own." "A striking illustration," it is added, "of the king's claim of right to the services of all merchant-ships appears in a letter written by Edward II. to the king of Norway, upon the detention of three English vessels, which he concludes by saying, that he cannot quietly put up with the vessels belonging to his kingdom, *which ought at all times to be*

ready for his service, being detained in foreign countries."* John appears to have possessed merely a few galleys of his own.

In this reign we find the earliest mention of what may be called *letters of credit*, the first form, it may be supposed, of *bills of exchange*, the introduction and general employment of which very soon followed. In a document printed in the *Fœdera*, John, under date of 25th August, 1199, at Rouen, engages to repay in four instalments, in the course of two years, a sum of 2125 marks, which had been advanced by a company of merchants of Placentia to the bishops of Anjou and Bangor on the faith of the letters of King Richard. Afterwards John himself repeatedly raised money by such letters, addressed to all merchants, whereby he bound himself to repay the sums advanced to his agents to the amount named, at such time as should be agreed upon, to any person presenting his letter, together with the acknowledgment of his agents for the sum received by them. Mr. Macpherson is of opinion that, as there is no mention of interest in any of those letters, it must have been discounted when the money was advanced. It is remarkable that, although at this time, in England, no Christian was permitted by law to take interest, or usury as it was called, even at the lowest rate, upon money lent, the Jews in this respect lay under no restriction whatever. The interest which they actually received, accordingly, was sometimes enormous. In the large profits, however, which they thus made the crown largely shared, by the power of arbitrarily fining them, which it constantly exercised. William of Newburgh frankly speaks of them as well known to be the royal usurers; in other words, their usury was a mode of suction, by which an additional portion of the property of the subject was drawn into the royal treasury: and this sufficiently accounts for the manner in which they were tolerated and protected in the monopoly of the trade of money-lending.

Very few direct notices of the state of trade in this

* Macpherson's *Ann. of Com.* i. 379.

reign have come down to us. Licences are recorded to have been granted to the merchants of various foreign countries to bring their goods to England, on due payment of the quinzième, which would thus appear to have been a customs duty, payable probably both on the import and export of commodities. The Flemings were the chief foreign traders that resorted to the country, and next to them, apparently, the French. In 1213 the duties paid on woad imported from foreign countries amounted to nearly 600*l.*; of which the ports in Yorkshire paid 98*l.*; those in Lincoln, 47*l.*; those in Norfolk and Suffolk, 53*l.*; those in Essex, 4*l.*; those in Kent and Sussex (exclusive of Dover), 103*l.*; Southampton, 72*l.*; and other places, not named, 214*l.* The woad, it may be presumed, was almost wholly used in dyeing cloths; but much cloth would also be both exported and worn at home without being dyed.

The freedom of commerce was sought to be secured by one of the clauses of the Great Charter (the forty-first), which declared that all merchants should have safety and security in going out of, and coming into England, and also in staying and travelling in the kingdom, whether by land or by water, without any grievous impositions, and according to the old and upright customs, except in time of war, when, if any merchants belonging to the hostile country should be found in the land, they should, at the commencement of the war, be attached, without injury of their persons or property, until it should be known how the English merchants who happened to be in the hostile country were treated there; if they were uninjured, the foreign merchants should be equally safe in England. This was as reasonable and even liberal a regulation as could have been desired on the subject. By other clauses, it was declared, that the debts of a minor should bear no interest during his minority, even if they should be owing to a Jew; that London and other cities and towns should enjoy their ancient privileges; that no fine should be imposed upon a merchant to the destruction of his merchandize; and that there should be a uniformity of weights and measures throughout the kingdom.

The only coined money of this period, as far as is certainly known, was the silver penny, which, as at present, was the twelfth part of a shilling ; the shilling being also, as it has ever since been, the twentieth part of a pound. The pound, however, was still a full pound of silver, according to the ancient Saxon or German standard of eleven ounces and a quarter troy, or 5400 grains to the pound. The same amount of silver is now coined, as explained in the preceding chapter, into 2*l.* 16*s.* 3*d.* sterling ; and that, therefore, was the amount of money of the present denominations in the early Norman pound. The shilling, consequently, being the twentieth part of this, was equivalent to 2*s.* 9*1*/₂*d.* of our present money ; and the penny, being the twelfth part of the shilling, or the 240th part of the pound, was still of the same value as in the Saxon times, and contained an amount of silver equal to a trifle more than what might be purchased by 2*1*/₂*d.* of our money. But both the pound and the shilling were only money of account ; there were no coins of these denominations. It is doubtful, also, if there were any coins of inferior value to the silver penny ; no specimens of any such have been discovered. Both halfpence and farthings, however, are mentioned in the writings of the time ; and a coinage of round halfpennies by Henry I. is expressly recorded by Florence of Worcester, Simeon of Durham, and Hoveden. It has been supposed that the people before, and also perhaps after this, used to make halfpence and farthings for themselves, by breaking the penny into halves and quarters, which, it has been said, they were more easily enabled to do from the coin having on one side of it a cross very deeply indented. Leake, however, has remarked that “ the story of the cross being made double, or so deeply impressed, for the convenience of breaking the penny into halves and quarters, is disproved by the coins now extant, whereon the crosses generally terminate at the inner circle, and, instead of being impressed, are embossed, which prevents their being broken equally.”* It is most

* Historical Account of English Money (2nd edit.), p. 38.

probable, perhaps, that both halfpence and farthings were actually coined, though none have come down to us.

Other denominations of money, however, than the above are also mentioned. In the early part of the period, and especially in the reign of the Conqueror, the Saxon mode of reckoning appears to have remained in general use. "In his laws," says Ruding, "the fines are regulated by pounds, oras, marks, shillings, and pence. The shillings are sometimes expressly stated to be English shillings of four pennies each. But in Domesday Book various other coins or denominations of money are to be found, such as the mite, farthing, halfpenny, mark of gold and silver, ounce of gold, and marsum. There seems also to have been current a coin of the value of half a farthing, which was probably the same as the mite above mentioned." The values of the Saxon coins here enumerated have been stated in the last chapter. The mark, it may be added, long remained a common denomination, and was at all times reckoned two-thirds of the pound. Some foreign coins, especially byzantines, which were of gold, are also supposed to have been still in use, as in the Saxon times.

The coins of the earlier Norman kings are of great rarity. Those issued by the Conqueror "were made," Ruding thinks, "to resemble those of Harold in weight and fineness, and some of them in type," in conformity with the policy upon which William at first acted, of affecting to be the regular successor of the Saxon kings. The coins of the two Williams can scarcely be distinguished, the numerals being for the most part absent. The same is the case with those of the two Henrys. Royal mints were still established in all the principal towns; and the name of the place where it was struck continues to be commonly found on the coin. In the lawless times of Stephen all the bishops and greater barons are said to have very generally coined and issued money of their own; every castle had its mint; and the money thus thrown into circulation is alleged to have been so debased that, in ten shillings, not the value of

one in silver was to be found. Stephen himself is also charged with having, in his necessities, resorted to the expedient of diminishing the weight of the penny. When Henry II. came to the throne, however, he put down all this base money ; and none of the baronial coins of Stephen's reign are now known to exist, with the exception of a few bearing the names of his son Eustace, and of his brother, the Bishop of Winchester, which were probably issued by the royal licence.

Henry I., on his accession, abolished the tax of moneymongery, which had been introduced either by the Conqueror or his son Rufus ; and he afterwards effected a reform of the coinage, which had been greatly corrupted by the frauds of the moneymongers. Henry II. also called in all the old coins in circulation in the year 1180. No coins are known to be in existence either of Richard I. or John, as kings of England, although there are some of the former as Earl of Poictou and as Duke of Aquitaine, and of the latter as lord of Ireland.

An English penny of Richard's is given in various collections of plates of coins, but is admitted to be a forgery. Mr. Ruding, speaking of it and another of John, says—"These two pennies are now well known to be the fabrication of a late dealer in coins, who pretended to have discovered them amongst some which were found upon Bramham Moor in Yorkshire. He sold one of them for thirty guineas ; the other remained in his possession, and was disposed of with the rest of his collection, after his death." The man's name was White.*

The earliest Scotch coins that have been discovered are some of Alexander I., who began his reign in 1107. The Scotch money appears to have, at this period, entirely corresponded with the English ; and, indeed, the circulation of Scotland probably consisted in great part of English coins.

In regard to the real or efficient value of the money of those days, as compared with that of our present money,

* See Ruding's Ann. of the Coinage, ii. 35 and 50, and v. 98 and 262.

it is, as we have already had occasion to remark, impossible to make any statement which shall be universally applicable. The question of the value of money at any given period is merely a question of the price of a particular commodity—namely, the metal of which the money is made. But we have no means of estimating with precision the price of any commodity whatever, in the scientific sense of that term. All that we can do is to state it relatively to the price of some other commodity. This is all that we really do when we state the money-price of anything. That is only a statement of the relation between the price of the article in question, and the price of the other article called money. It is no expression either of the general price of either, or of the relation of the price of either to that of any other article, whatever. Commodities of all kinds, from causes sufficiently obvious, are constantly changing their relative positions in regard to price; and, therefore, the relation between the prices of any two of them can be no permanent index of the relation between the prices of any two others. In other words, the money-price of any one article at a particular time will give us no certain information as to the money-price either of all other articles, or of any other article.

Although, indeed, no precise estimate can be arrived at of the general value of money in former times as compared with its present value, many important conclusions in regard to the state of society, and the command possessed by the several classes of the population over the necessaries and comforts of life, may be drawn from the notices that have been preserved of the money-prices of commodities and labour at different periods. But the only point which properly belongs to our present subject is that of the relative values of gold and silver in the period we have been reviewing. The relation between the values of these two metals has fluctuated considerably in different ages. In ancient Rome, about the commencement of our era, it seems to have been usually as one to ten. About the fourth century, however, silver had become so much more plentiful, or gold so much

scarcer, that fourteen pounds eight ounces of the former were exchanged for a pound of the latter. In England, in the Saxon times, the legal proportion appears to have been as one to twelve. After the Conquest, however, gold became cheaper; and, about the middle of the twelfth century, one pound of it was exchanged for nine pounds of silver. In the beginning of the thirteenth century we find the value of silver rated to that of gold in the proportion of ten to one. At present the proportion is about as fourteen to one.

CHAPTER IV.

FROM THE ACCESSION OF HENRY III. TO THE END OF THE
REIGN OF RICHARD II. A.D. 1216—1399.

THE history of English commerce during the thirteenth and fourteenth centuries is in great part the record of a course of legislative attempts to resist or annul the laws of nature, such as probably never was outdone in any other country. A full detail would serve no useful purpose; but a few samples will be found both curious and instructive.

A term which makes a great figure in the commercial regulations of this period is that of the Staple. The word, in its primary acceptation, appears to have meant a particular port or other place to which certain commodities were obliged to be brought to be weighed or measured for the payment of the customs, before they could be sold, or in some cases exported or imported. Here the king's staple was said to be established. The articles of English produce upon which customs were anciently paid were wool, sheep-skins (or woolfels), and leather; and these were accordingly denominated the staples or staple goods of the kingdom. The persons who exported these goods were called the Merchants of the Staple: they were incorporated, or at least recognized as forming a society with certain privileges, in the reign of Edward II., if not earlier. Hakluyt has printed a charter granted by Edward II., the 20th of May, 1313, to the mayor and council of the merchants of the staple, in which he ordains that all merchants, whether natives or foreigners, buying wool and woolfels in his dominions for exportation, should, instead of carrying them for sale, as they had been wont to do, to several places in Brabant, Flanders, and Artois, carry them in future only to one certain staple in one of those countries, to be appointed by the said mayor and council. It appears that,

upon this, Antwerp was made the staple. But, although the power of naming the place, and also of changing it, was thus conferred upon the society, this part of the charter seems to have been very soon disregarded. In subsequent times the interferences of the king and the legislature with regard to the staple were incessant. In 1326 it was, by the royal order, removed altogether from the continent, and fixed at certain places within the kingdom. Cardiff, in Wales, a town belonging to Hugh Despenser, is the only one of these new English staples the name of which has been preserved. It may be noted, also, that tin is now mentioned as one of the staple commodities. In 1323 (by the statute 2 Edw. III. c. 9) it was enacted, "that the staples beyond the sea and on this side, ordained by kings in times past, and the pains thereupon provided, shall cease, and that all merchant strangers and privy (that is, foreigners and natives) may go and come with their merchandizes into England, after the tenor of the Great Charter." In 1332, however, we find the king ordaining, in the face of this act, that staples should be held in various places within the kingdom. Acts of parliament, indeed, on all kinds of subjects were as yet accustomed to be regarded by all degrees of people as little more than a sort of moral declarations or preachments on the part of the legislature—expressions of its sentiments—but scarcely as laws which were compulsory like the older laws of the kingdom. Most of them were habitually broken, until they had been repeated over and over again; and this repetition, rather than the exaction of the penalty, appears to have been the recognized mode of enforcing or establishing the law. In many cases, indeed, such a way of viewing the statute was justified by the principle on which it was evidently passed; it was often manifestly, if not avowedly, intended by its authors themselves as only a tentative or experimental enactment, the ultimate enforcement of which was to depend upon the manner in which it was found to work. The act of parliament was frequently entitled, not a statute, but an ordinance; and in that case it seems to have been merely proposed as an interim regulation,

which was not to become a permanent law until some trial should have been had of it, and such amendments made in it as were found by experience to be necessary.* In other cases, again, and those of no rare occurrence, the law was of such a nature that it could not be carried into execution; it was an attempt to accomplish what was impossible. These considerations may account for the numerous instances in which our old laws are merely confirmations, or in other words, repetitions of some preceding law, and also for the extraordinary multiplication which we find of fluctuating or contradictory laws. Of this latter description, those relating to the staple afford an eminent example. In 1334, all the lately established staples were again abolished by the king in a parliament held at York. In 1341, the staple was re-established by a royal act at Bruges, in Flanders. In 1348, again, after the capture of Calais, that town was made the staple for tin, lead, feathers, English-made woollen cloths and worsted stuffs, for seven years. All the former inhabitants of Calais, with the exception, it is said, of one priest and two lawyers, had been removed, and an English colony, of which thirty-six merchants from London were the principal members, had been settled in their room. In 1353, by the statute called the Ordinance of the Staples (27 Edw. III. st. 2, c. 1), the staple for wool, leather, woolfels, and lead, was once more removed from the continent by act of parliament, and ordered to be held for ever in the following places, and no others—namely, for England, at Newcastle-upon-Tyne, York, Lincoln, Norwich, Westminster, Canterbury, Chichester, Exeter, and Bristol; for Wales, at Carmarthen; and for Ireland, at Dublin, Waterford, Cork, and Drogheda. The “for ever” of this statute remained in force for ten years, and no longer. From the preamble of the statute 43 Edw. III., it appears that it had been ordained, for the profit of the realm, and ease of the merchants of England, that the staple of wools, woolfels, and leather, should be holden at Calais; and that there accordingly it

* See on this subject Hallam's Middle Ages, iii. 72—75.

had been holden since the 1st of March, 1363. By this last mentioned act, however, passed in 1369, it was again, in consequence of the renewal of the war with France, fixed at certain places within the kingdom—being for Ireland and Wales the same that have been just mentioned, but with the substitution, in the case of England, of Hull, Boston, Yarmouth, and Queenburgh, for Canterbury, York, Lincoln, and Norwich. In 1376 nevertheless, on the complaint of the inhabitants of Calais, that their city was declining, the staple was restored to that place; and it was now made to comprehend, not only the ancient commodities of wool, woolfels, and leather, and those more recently added of lead, tin, worsted stuffs, and feathers, but also cheese, butter, honey, tallow, peltry (or skins of all kinds), and what are called “gaulæ,” which have been supposed to mean osiers for making baskets; these different articles probably comprehending all the ordinary exports from the kingdom. But this restriction of the whole export trade to one market was soon relaxed. In 1378 (by the 2nd Rich. II. stat. 1, c. 3), it was enacted, that all merchants of Genoa, Venice, Catalonia, Arragon, and other countries toward the West, that would bring their vessels to Southampton, or elsewhere within the realm, might there freely sell their goods, and also recharge their vessels with wools, and the other merchandises of the staple, on paying the same customs or duties that would have been payable at Calais; and in 1382 (by the 5th Rich. II. stat. 2, c. 2), all merchants, whether foreigners or natives, were permitted to carry wool, leather, and woolfels, to any country whatever, except France, on payment of the Calais duties beforehand. In 1384, we find the wool-staple altogether removed from Calais, and established at Middleburgh. In 1388 (by the statute 12 Rich. II. c. 16), it was ordered to be fixed once more at Calais; but in 1390 (by the 14th Rich. II. c. 1), it was brought back to the same English towns in which it had been fixed in 1353. The very next year, however, it was enacted that, instead of these towns, the staple should be held at such others upon the coast as the

lords of the council should direct; and it would even appear (from the 15th Rich. II. c. 8), that, at least for a part of the year, the staple of wool and also of tin was still at Calais. "Staples and restraints in England, and a second staple and other restraints at the same time on the continent!" exclaims the historian of our commerce, in noting this fact: "the condition of the merchants who were obliged to deal in staple goods was truly pitiable in those days of perpetual changes."* It is not quite clear, however, that the English staples were still continued; it is perhaps more probable that they had been abolished when the staple was restored to Calais. However this may be, it appears from the statute 21 Rich. II. c. 17, passed in 1398, that at that time Calais was the only staple; and such it continued to be from this time till it was recovered by the French in 1538, when the staple was established at Bruges. The old staple laws, however, had been considerably relaxed in the course of that long interval.

The history of the staple is an important part of the history of our early foreign commerce, of which it in some degree illustrates the growth and gradual extension from the progressive development of the resources of the country, as well as the artificial bonds and incumbrances against the pressure and entanglement of which the principle of that natural growth had to force its way. We now proceed to quote some further instances of the perplexities, the blunders, and the generally oppressive or annoying character of our ancient commercial legislation.

One of the prerogatives assumed by the crown in those days, somewhat similar in its nature to that of fixing the staple of the foreign trade of the kingdom, was the right of restricting all mercantile dealings whatever, for a time, to a certain place. Thus, Matthew Paris tells us that, in the year 1245, Henry III. proclaimed a fair to be held at Westminster, on which occasion he ordered that all the traders of London should shut up their shops, and carry their goods to be sold at the fair, and that all

* Macpherson, *Annals of Com.* i. 604.

other fairs throughout England should be suspended during the fifteen days it was appointed to last. The king's object, no doubt, was to obtain a supply of money from the tolls and other dues of the market. What made this interference be felt as a greater hardship was, that the weather, all the time of the fair, happened to be excessively bad; so that not only the goods were spoilt, exposed as they were to the rain in tents only covered with cloth, and that probably imperfectly enough; but the dealers themselves, who were obliged to eat their victuals with their feet in the mud, and the wind and wet about their ears, suffered intolerably. Four years afterwards the king repeated the same piece of tyranny, and was again seconded by the elements in a similar fashion. This time, too, the historian tells us, scarcely any buyers came to the fair; so that it is no wonder the unfortunate merchants were loud in expressing their dissatisfaction. But the king, he adds, did not mind the imprecations of the people.

There was nothing that more troubled and bewildered both the legislature and the popular understanding, during the whole of this period, than the new phenomena connected with the increasing foreign trade of the country. The advantages of this augmented intercourse with other parts of the world were sensibly enough felt, but very imperfectly comprehended; hence one scheme after another to retain the benefit upon terms wholly inconsistent with the necessary conditions of its existence. Of course, in all exchange of commodities between two countries, besides that supply of the respective wants of each which constitutes the foundation or sustaining element of the commerce, a certain portion of what the consumer pays must fall to the share of the persons by whose agency the commerce is carried on. It is this that properly forms the profits of the commerce, as distinguished from its mere advantages or conveniences. The general advantages of the commerce, apart from the profits of the agents, are alone the proper concern of the community: as for the mere profits of the agency the only interest of the community is, that they shall be as low as possible.

From the course, however, that the popular feeling has at all times taken, it might be supposed that the very contrary was the case; for the cry has constantly been in favour of making this agency, as far as possible, a monopoly in the hands of the native merchants, although the effect of the exclusion of foreign competition, if it could be accomplished, really could be nothing else than an enhancement of the profits of the agency, and consequently of the charge upon the consumer. In fact, if the exclusion were not expected to produce this effect, it never would be sought for by the native merchants. That it should be sought for by them is natural enough, but that they should be supported in this demand by the community at large is only an instance of popular prejudice and delusion. In all commerce, and especially in all foreign commerce, a body of intermediate agents, to manage the exchange of the commodities, is indispensable; the goods must be brought from the one country to the other, which makes what is called the carrying trade; they must be collected in shops or warehouses for distribution by sale; even their original production, in many cases, cannot be efficiently accomplished without the regular assistance of a third class of persons,—namely, dealers in money or in credit. But to the public at large it is really a matter of perfect indifference whether these merchants, ship-owners, and bankers or other capitalists, be natives or foreigners. Not so, however, thought our ancestors in the infancy of our foreign commerce. The commerce itself was sufficiently acceptable; but the foreigners, by whose aid it was necessarily in part carried on, were the objects of a most intense and restless jealousy. Whatever portion of the profits of the commerce fell to their share was looked upon as nothing better than so much plunder. This feeling was even in some degree extended to the whole of the foreign nation with which the commerce was carried on; and, in the notion that all trade was of the nature of a contest between two adverse parties, and that whatever the one country gained the other lost, the inflammation of the popular mind occasionally rose to such a height that nothing less would sa-

tisfy it than an abjuration of the foreign trade altogether. But it never was long before this precipitate resolution was repented of and revoked.

In the wars between Henry III. and his barons, the latter endeavoured to turn to account against the king the national jealousy of foreigners, which his partiality to his wife's French connexions had greatly exasperated. In 1261 they passed a law which may be regarded as the first attempt to establish what has been called, in modern times, the manufacturing system. It prohibited the exportation of wool, the chief staple of the country, and ordained that no woollen cloths should be worn except such as were manufactured at home. Whatever may be thought of the policy of nursing the infancy of domestic manufactures in certain circumstances by protections of this description, the present attempt was undoubtedly premature, and its authors confessed as much by appending to their prohibition against the importation of foreign cloth an injunction or recommendation that all persons should avoid every superfluity in dress. What were thus denounced as extravagant superfluities were evidently those finer fabrics which could not yet be produced in England. The effect of this law, in so far as it was enforced or obeyed, could only have been to add to the general distress, by embarrassing more or less all classes of persons that had been ever so remotely connected with the foreign trade, and above all others the chief body of producers in the kingdom. If the wool was not to go out of the country, much wealth both in money and in goods would be prevented from coming in, and all the branches of industry which that wealth had hitherto contributed to sustain and feed would suffer depression.

It would appear that, either from want of skill, or a scarcity of woad in consequence of the usual importations from the continent being checked, dyed cloths could not be obtained in sufficient quantity in England a few years after this time; for it is recorded that many people were now wont to dress themselves in cloth of the natural colour of the wool. Simon de Montford, it seems, professed to be an admirer of this plainness of apparel, and

was accustomed to maintain that foreign commerce was unnecessary, the produce of the country being fully sufficient to supply all the wants of its inhabitants. And so no doubt it was, and would be still, on this principle of rigidly eschewing all superfluities; but that is the principle of the stationary and savage state, not of civilization and progressive improvement.

The prohibition against the importation of foreign cloth, however, appears to have been soon repealed. In 1271, when disputes broke out between Henry and the Countess of Flanders, we find it renewed in terms which imply that the trade had for some time previous been carried on as usual. This second suspension, also, was of short duration; and on various subsequent occasions, on which the attempt was made to break off the natural commercial intercourse between the English producers and the Flemish manufacturers, the result was the same; the inconvenience was found to be so intolerable to both countries that it never was submitted to for more than a few months or weeks.

Absurd regulations, however, were from time to time imposed on the trade carried on by foreigners, the temper and principle of which would, if carried out, have led to its complete extinction, and which, half measures as they were, could only have had the effect of diminishing its natural advantages. In 1275, for instance, an order was issued by Edward I., obliging all foreign merchants to sell their goods within forty days after their arrival. If foreigners continued to resort to the country in the face of the additional risks created by this law,—risks of inadequate returns if they complied with it, of detection and punishment if they attempted to evade it,—we may be certain they exacted a full equivalent in the shape of higher prices for their goods; or, if they failed to do this, they must soon have been forced to give up the trade altogether, for there was no other way by which it could be made to yield its usual profits.

In the year 1290 the bigotry and rapacity of Edward I. inflicted what must have proved a severe blow upon the commerce of the kingdom by the sudden expulsion of the

whole body of the Jews. The principal pretence for this proceeding appears to have been that the Jews had been the chief clippers of the coin. The principal motive, no doubt, was the replenishing of the royal exchequer by the spoil of the hated and helpless race ; for the Jews had always been regarded, not only as foreigners and aliens, but as, in a manner, the absolute property of the crown, which, under that view, was restrained from pillaging and otherwise oppressing them to any extent it chose by neither law nor custom, nor by anything except a prudent calculation of how far it might go without injury to its own interests—without impairing the productiveness of the source from which it drew its iniquitous profits. In the present instance even this consideration gave way under the pressure of some strong excitement or urgent need, the popular feeling, we may be sure, eagerly seconding the royal passion or policy. The manner of the proceeding was as barbarous as the motive, whether fanaticism or thirst of plunder, might prepare us to expect. Only two months' warning was given before the fatal 1st of November, on which day it was ordered that every Jew should quit England, never to return, on pain of death. Not only all their houses and teneiments, but also all their bonds for money owing them by Christians, were seized by the king, who afterwards exacted payment of the debts, as if the money had been lent by himself. The accounts differ as to whether they were allowed to carry their moveable property with them ; as much, of course, was left them as might defray their charges in crossing the sea, and we may suppose they secretly conveyed away as much more as they could ; it is affirmed that whole ship-loads of them were made away with by the sailors on their passage for the sake of what they had with them. The common account is that the exact number thus driven out was 16,511 ; and no Jew was ever afterwards allowed to set foot in this country, till, without any change having been made in the law, they quietly began to reappear after the Restoration, three hundred and seventy years subsequent to their general expulsion.

No foreign merchants were in those days allowed to reside in England except by special licence from the king ; and even under this protection, they were subjected to various oppressive liabilities. It was not till 1303 that a general charter was granted by Edward I., permitting the merchants of Germany, France, Spain, Portugal, Navarre, Lombardy, Tuscany, Provence, Catalonia, Aquitaine, Toulouse, Quercy, Flanders, Brabant, and all other foreign countries, to come safely to any of the dominions of the English crown with all kinds of merchandize, to sell their goods, and to reside under the protection of the laws. But even this general toleration was clogged with many restrictions. The goods imported, with the exception of spices and mercery, were only to be sold wholesale. No wine was to be carried out of the country without special licence. Above all, no relaxation was granted of the ancient grievous liability under which every resident stranger was placed of being answerable for the debts and even for the crimes of every other foreign resident. It appears from the records of the Exchequer that, in 1306, a number of foreign merchants were committed to the Tower, and there detained until they consented severally to give security that none of their number should leave the kingdom, or export anything from it, without the king's special licence. Each of them was at the same time obliged to give in an account of the whole amount of his property, both in money and goods. Security against being subjected to this kind of treatment had been accorded in a few particular instances ; but it was not till the year 1353 that the law was formally altered by the Statute of the Staple already mentioned, and the ancient practice was not wholly discontinued till long afterwards.

The general charter of 1303 was followed within four years by a still more extraordinary attempt than any that had yet been made to control the natural course of commerce. In 1307, Edward issued an order prohibiting either coined money or bullion to be carried out of the country on any account. The merchants, therefore, who came from other countries were now reduced to the

necessity of either directly bartering their commodities for the produce of the kingdom, or, if they sold them for money in the first instance, of investing the proceeds in other goods before they could be permitted to return home. This was a restriction so thoroughly opposed to every commercial principle that it could not be rigidly maintained ; the very year following its promulgation, an exemption from it was accorded to the merchants of France by the new king, Edward II., and similar relaxations of it were afterwards permitted in other cases. But, although from its nature it did not admit of being strictly enforced, it long continued to be regarded as the law of the country, and repeated attempts were made to secure its observance. In 1335, by the 9th Edw. III. st. 2, it was enacted that no person should henceforth carry out of the kingdom either money or plate without special licence, upon pain of forfeiture of whatever he should so convey away. Sworn searchers were appointed to see that the law was observed at all the ports ; and it was further ordered that the inn-keepers at every port should be sworn to search their guests : the fourth part of all forfeits was assigned as the reward of the searchers. In 1343, by the 17th Edw. III., nearly the same regulations were repeated, the principal variation being, that, to induce them to do their duty more diligently, the reward of the searchers was now raised to a third part of the forfeits, and penalties were provided for their neglect or connivance. We may gather from all this that the law had been extensively evaded. At length permission was given generally to foreign merchants to carry away one half of the money for which they sold their goods ; the law is thus stated in the 14th Rich. II. c. 1, passed in 1390, and more explicitly in the 2nd Hen. IV. c. 5, passed in 1400 ; but it is still expressly ordered by the former of these statutes that every alien bringing any merchandize into England shall find sufficient sureties before the officers of the customs to expend the value of half of what he imports, at the least, in the purchase of wools, leather, woolfels, lead, tin, butter, cheese, cloths, or other commodities of the land.

The ignorance and misconception from which all this legislation proceeded, are exhibited in a striking point of view by the fact that the above-mentioned original order of Edward I., prohibiting the exportation of money, expressly permits the amount of the money to be remitted abroad in bills of exchange. And at all times, while the exportation of money was forbidden, the remittance of bills seems to have been allowed. But a bill of exchange remitted abroad is merely an order that a certain party in the foreign country shall receive a sum of money which is due to the drawer of the bill, and which would otherwise have to be sent to the country where he resides; if no such money were due, the bill would not be negotiable; every such bill, therefore, if it did not carry money out of the country, produced precisely the same effect by preventing money from coming in. It was fit and natural enough, however, that this simple matter should fail to be perceived in times when it was thought that a great advantage was gained by compelling the foreign merchant to sell his goods for produce instead of for the money which the produce was worth; indeed it may be fairly said, instead of for less money than the produce was worth, for all restraints of this description inevitably operate to enhance the price of what is prevented from being openly bought and sold on the terms that would be naturally agreed upon between the parties themselves.

Another strange attempt of the English commercial legislation of those times was to impose a certain measure upon all foreign cloths brought to the country. By the Act 2 Edw. III. c. 14, passed in 1328, it was ordered that, from the Feast of St. Michael ensuing, all cloths that were imported should be measured by the king's aulnagers, and that all those that were not found to be of a certain specified length and breadth should be forfeited to the king. The dimensions fixed by the statute were, for cloth of ray (supposed to mean striped cloth), 28 yards in length by 6 quarters in breadth; and for coloured cloth, 26 yards in length by 6½ quarters in breadth. The regulation of weights and measures within

the kingdom was a proper subject of legislation, and had necessarily engaged attention long before this date ; although, at a period when science was unknown, the methods resorted to were necessarily very inartificial, and sometimes singular enough ; Henry I., for example, soon after he came to the throne, in ordaining that the ell or yard should be of uniform length throughout the kingdom, could find no better standard for it than the length of his own arm. It might also have been found expedient, both for fiscal and other purposes, to direct that all cloth made for sale within the kingdom should be of certain specified dimensions ; regulations to that effect have at least been usual down to our own day. But it was to stretch legislation on such matters beyond all reasonable limits to attempt to fix a measure for the cloth made in all foreign countries. Such a law, in so far as it was enforced, could only have the effect of diminishing the supply,—in other words, of raising the prices of foreign goods. But, like most of the other absurd restrictions of the same character, the maintenance of this regulation was soon found to be impracticable : if it had been rigorously insisted upon, it would have excluded the manufactured goods of certain foreign countries from the English market altogether ; and accordingly, after giving a great deal of useless annoyance both to foreign merchants and their English customers, and after special exemptions from it had been granted to several nations, it was at last repealed by the 27 Edw. III. st. 1, c. 4, passed in 1353, which provided that, “ whereas the great men and commons have showed to our lord the king how divers merchants, as well foreigners as denizens, have withdrawn them, and yet do withdraw them, to come with cloths into England, to the great damage of the king and of all his people, because that the king’s aulnager surmiseth to merchant strangers that their cloths be not of assize,” therefore no foreign cloths should in future be forfeited on that account, but, when any was found to be under assize, it should simply be marked by the aulnager, that a proportionate abatement might be made in the price.

This was also the era of various statutes against the

supposed mischiefs of forestalling. The statute " De Pistoribus" (attributed by some to the 51st year of Hen. III., by others to the 13th of Edw. I.) contains the following impassioned description and denunciation of this offence : " But especially be it commanded, on the behalf of our lord the king, that no forestaller be suffered to dwell in any town, which is an open oppressor of poor people, and of all the commonalty, and an enemy of the whole shire and country ; which for greediness of his private gains doth prevent others in buying grain, fish, herring, or any other thing to be sold coming by land or water, oppressing the poor and deceiving the rich ; which carrieth away such things, intending to sell them more dear ; the which come to merchant strangers that bring merchandize, offering them to buy, and informing them that their goods might be dearer sold than they intended to sell, and an whole town or a country is deceived by such craft and subtlety." It might be supposed from all this that the forestaller bought the commodity for the purpose of throwing it into the sea or otherwise destroying it ; it seems to have been forgotten that, like all other dealers, he bought it only that he might sell it again for more than it cost him, that is to say, that he might preserve it for a time of still higher demand and greater necessity. But for him, when that time of greater scarcity came, there would be no provision for it ; if the people were pinched now, they would be starved then. The forestaller is merely the economical distributor, who, by preventing waste at one time, prevents absolute want at another ; he destroys nothing ; on the contrary, whatever he reserves from present consumption, is sure to be reproduced by him in full at a future day, when it will be still more needed. Were it otherwise, forestalling would be the most losing of all trades, and no law would be required to put it down. The English laws against forestalling, regrating, and engrossing, however, cannot well be made a reproach to the thirteenth century, seeing that they were formally renewed and extended in the sixteenth,* and were not finally removed from the

* By the 5 and 6 Edward VI. c. 14 and 15.

Statute Book till towards the end of the eighteenth.* And even yet forestalling is considered to be a misdemeanour at common law, and punishable by fine and imprisonment.

A still more direct attempt to derange the natural balance of supply and demand was made by parliament in 1315, when, with the view of relieving the people from the pressure of a severe famine, it was enacted that all articles of food should be sold at certain prescribed prices. It was strangely forgotten that the evil did not lie in the high prices, but the scarcity, of which they were the necessary consequence. That scarcity, of course, the act of parliament could not cure. In fact, food became more difficult to procure than ever; for even those who had any to sell, and would have brought it to market if they could have had a fair price for it, withheld it rather than dispose of it below its value. What was sold was for the most part sold at a price which violated the law, and which was made still higher than it would otherwise have been by the trouble and risk which the illegality of the transaction involved. Butcher-meat disappeared altogether; poultry, an article of large consumption in those times, became nearly as scarce; grain was only to be had at enormous prices. The result was, that the king and the parliament, after a few months, becoming convinced of their mistake, hastened to repeal the act.

The same thing in principle and effect, however, was repeated not many years after, by acts passed to fix the wages of labourers,—in other words, the price of the commodity called labour. In 1349 (the 23rd of Edw. III.), immediately after what is called the Great pestilence, there was issued (apparently by the authority of the king, although it is printed as a statute) “An Ordinance concerning Labourers and Servants;” which directed, first, that persons of the class of servants should be bound to serve when required; and secondly, that they should serve for the same wages that were

* By the 12 Geo. III. c. 71.

accustomed to be given three years before. This ordinance, indeed, further proceeded to enjoin that all dealers in victual should be bound to sell the same "for a reasonable price," and inflicted a penalty upon persons offending against that enactment—although it did not presume expressly to fix a maximum of prices. The next year, by the 25 Edw. III., st. 2,* after a preamble, declaring that servants had had no regard to the preceding ordinance, "but to their ease and singular covetise," the parliament established a set of new provisions for effecting its object: this act, however, contains nothing on the subject of the prices of provisions. The Statute of Labourers was confirmed by parliament in 1360 (by the 34 Edw. III. c. 9), and its principle was long obstinately clung to by the legislature, notwithstanding the constant experience of its inefficiency, and indeed of its positive mischief, and its direct tendency to defeat its own proposed object; for a law is rarely harmless because it is of impracticable execution; the unskilful surgery of the body politic, as of the body natural, tears and tortures when it does not cure, and fixes deeper and more firmly the barb which it fails to extract. By the 13 Rich. II. st. 1, c. 8 (passed in 1389-90), it is ordained that, "forasmuch as a man cannot put the price of corn and other victuals in certain," the justices of peace shall every year make proclamation "by their discretion, according to the dearth of victuals, how much every mason, carpenter, tiler, and other craftsmen, workmen, and other labourers by the day, as well in harvest as in other times of the year, after their degreee, shall take by the day, with meat and drink, or without meat and drink, and that every man obey to such proclamations from time to time, as a thing done by statute." It is also ordered that victuallers "shall have reasonable gains, according to the discretion and limitation of the said justices, and no more, upon pain to be grievously punished, according to the discretion of the said justices." Finally, provision is made for the correct keeping of the assize (or assess-

* Commonly entitled Statute the First.

ment from time to time) of the prices of bread and ale. The earliest notice of an assize in England is found in the rolls of parliament for 1203, the 5th of John; but the first introduction of the practice is probably of older date. The most ancient law upon the subject that has been preserved is that entitled the *Assisa Panis et Cerevisiae*, commonly assigned to the 51st Hen. III. (A.D. 1266). The assize of bread and ale, it is to be remembered, determined the prices of these commodities, not arbitrarily, but by a scale regulated according to the market-prices of wheat, barley, and oats, so that the prices that were really fixed were those of baking and of brewing. The assize of bread was re-enacted so lately as the beginning of the last century, and was only abolished in London and its neighbourhood about thirty years ago: in regard to other places, although it has fallen into disuse, the old law still remains unpealed. But various other articles, such as wine, fish, tiles, cloths, wood, coal, billets, &c., have at different times been made subject to assize; and in the case of most of these the assize was a perfectly arbitrary determination of the price. The present period furnishes us with a curious example of the manner in which some of these attempts operated. By an ordinance issued in 1357 (commonly called the 31 Edw. III. st. 2), it was directed that no herrings should be sold for a higher price than forty shillings the last. But, in 1361, we find the king and his council, in a second ordinance (commonly called the statute 35 Edw. III.), frankly confessing that the effect of the attempt to fix prices in this case had been, "that the sale of herring is much decayed, and the people greatly endamaged, that is to say, that many merchants coming to the fair, as well labourers and servants as other, do bargain for herring, and every of them, by malice and envy, increase upon other, and, if one proffer forty shillings, another will proffer ten shillings more, and the third sixty shillings, and so every one surmounteth other in the bargain, and such proffers extend to more than the price of the herring upon which the fishers proffered it to sell at the beginning." The

ordinance promulgated with the intention of keeping down the price of herrings, had actually raised it. Wherefore "we," concludes the new statute, "perceiving the mischiefs and grievances aforesaid, by the advice and assent of our parliament, will and grant, that it shall be lawful to every man, of what condition that he may be, merchant or other, to buy herring openly, and not privily, at such price as may be agreed betwixt him and the seller of the same herring." This failure, however, did not deter the parliament two years after from fixing a price for poultry (by the statute 37 Edw. III. c. 3); but the next year that also was repealed by the 38 Edw. III. st. 1, c. 2, which ordained that all people, in regard to buying and selling and the other matters treated of in the preceding statute, should be as free as they were before it passed, and as they were in the time of the king's grandfather and his other good progenitors.

Notwithstanding, however, the impediments and embarrassments occasioned by all this blind and contradictory legislation, English commerce undoubtedly made a very considerable progress in the course of the space of nearly two centuries included within the period now under review.

The directing property of the magnet, and its application in the mariner's compass, appear to have become known in Europe towards the end of the twelfth century, and the instrument was probably in common use among navigators soon after the middle of the thirteenth. Both Chaucer the English, and Barbour the Scottish poet, allude familiarly to the compass in the latter part of the fourteenth century. Barbour tells us that Robert Bruce and his companions, when crossing, during the night, from Arran to the coast of Carrick, in 1307, steered by the light of the fire they saw on the shore,—“for they na needle had nor stane;” the words seem to imply rather that they were by accident without a compass, than that the instrument was not then known. Chaucer, in his prose treatise on the Astrolabe, says that the sailors reckon thirty-two parts (or points) of the horizon; evidently referring to the present division of the card, of

which the people of Bruges are said to have been the authors. Gioia, of Amalfi, who flourished in the beginning of this century, is supposed to have been the first who attached a divided card to the needle ; but his card seems to have had only eight winds or points drawn upon it.

The contemporary chroniclers have not recorded the effects produced by the introduction of the compass on navigation and commerce ; but it must have given a great impulse to both. A few interesting facts, however, connected with English shipping during the present period have been preserved. Henry III. appears to have had some ships of his own. One of the entries in the Liberate Roll of the tenth year of his reign is as follows :—“ Henry, by the grace of God, &c.—Pay out of our treasury to Reynold de Bernevall and Brother Thomas, of the Temple, twenty-two marks and a half, for repairs, &c. of our great ship ; also pay to the six masters of our great ship, to wit, to Stephen le Vel, one mark ; Germanus de la Rie, one mark ; John, the son of Sampson, one mark ; Colmo de Warham, one mark ; Robert Gaillard, one mark ; and Simon Westlegrei, one mark. Witness ourself at Westminster, the 17th day of May, in the tenth year of our reign. For the mariners of the great ship.”* The vessel here referred to is, we suppose, the large ship called the Queen, which, in 1232, Henry chartered to John Blancbally, for the life of the latter, for an annual payment of fifty marks.† In an order of the same king to the barons of the Cinque Ports, in 1242, mention is made of the king’s galley of Bristol, and of the king’s galleys in Ireland. Edward I. probably had a much more numerous navy. When he was preparing for his war with France, in 1294, this king divided his navy into three fleets, over each of which he placed an admiral, this being the first time that that title is mentioned in English history. We are not, however, to suppose that all the ships forming these three fleets

* Issues of the Exchequer from Henry III. to Henry VI. inclusive. By Frederick Devon. 4to. Lon. 1837.

† Madox’s Hist. of Excheq., c. 13, § 11.

were the property of the king ; the royal navy was still, as it had heretofore been, chiefly composed of vessels belonging to private merchants which were pressed for the public service. The names of the following king's ships are mentioned in an Issue Roll of the ninth of Edward II. :—the Peter, the Bernard, the Marion, the Mary, and the Catherine ; all of Westminster.* In the reign of Edward III. we find many ships belonging to Yarmouth, Bristol, Lynne, Hull, Ravensere, and other ports, distinguished as ships of war ; but this designation does not seem to imply that they were royal or public property.

The dominion of the four seas appears to have been first distinctly claimed by Edward III. At this time the Cinque Ports were bound by their charter to have fifty-seven ships in readiness at all times for the king's service ; and Edward also retained in his pay a fleet of galleys, supplied, according to contract, by the Genoese. By far the greater number, however, of the vessels employed in every considerable naval expedition of those times consisted, as we have said, of the private merchantmen. The English mercantile navy was now very considerable. When Henry III., in 1253, ordered all the vessels in the country to be seized and employed in an expedition against the rebel barons of Gascony, the number of them, Matthew Paris tells us, was found to be above a thousand, of which three hundred were large ships. The foreign as well as the English vessels, however, are included in this enumeration ; the former as well as the latter were subject to be thus pressed. According to an account given in one of the Cotton manuscripts of the fleet employed by Edward III. at the siege of Calais in 1346, it consisted of 25 ships belonging to the king, which carried 419 mariners ; of 37 foreign ships (from Bayonne, Spain, Flanders, and Guelderland), manned by 780 mariners ; of one vessel from Ireland, carrying 25 men ; and of 710 vessels belonging to Eng-

* Issues of Excheq. ut supra. The editor adds—"The names of other ships are also mentioned."

lish ports, the crews of which amounted to 14,151 persons. These merchantmen were divided into the south and the north fleet, according as they belonged to the ports south or north of the Thames. The places that supplied the greatest numbers of ships and men were the following :—London, 25 ships with 662 men ; Margate, 15 with 160 ; Sandwich, 22 with 504 ; Dover, 16 with 336 ; Winchelsea, 21 with 596 ; Weymouth, 20 with 264 ; Newcastle, 17 with 414 ; Hull, 16 with 466 ; Grimsby, 11 with 171 ; Exmouth, 10 with 193 ; Dartmouth, 31 with 757 ; Plymouth, 26 with 603 ; Looe, 20 with 325 ; Fowey, 47 with 170 ; Bristol, 24 with 608 ; Shoreham, 20 with 329 ; Southampton, 21 with 572 ; Lynne, 16 with 482 ; Yarmouth, 43 with 1095 ; Gosport, 13 with 403 ; Harwich, 14 with 283 ; Ipswich, 12 with 239 ; and Boston, 17 with 361. These, therefore, it may be assumed, were at this time the principal trading towns in the kingdom.

It will be perceived that the vessels, if we may judge from the numbers of the men, were of very various sizes ; and none of them could have been of any considerable magnitude. A ship, manned by thirty seamen, which the people of Yarmouth fitted out, in 1254, to carry over Prince Edward, afterwards Edward I., to the Continent, is spoken of with admiration by the writers of the time for its size as well as its beauty. Some foreign ships, however, were considerably larger than any of the English at this period. Thus, one of the vessels which were lent by the Republic of Venice to St. Louis, in 1270, when he set out on his second crusade, measured 125 feet in length, and carried 110 men ; but this was reckoned a vessel of extraordinary size even in the Mediterranean. In 1360, Edward III., in an order for arresting all the vessels in the kingdom for an expedition against France, directed that the largest ships should carry 40 mariners, 40 armed men, and 60 archers. A ship which was taken from the French in 1385 is said to have been, a short time before, built for the Norman merchants in the East Country at a cost of 5000 francs (above 830*l.* sterling), and to have been sold by them to Clisson, the

constable of France, for 3000 francs. This was one of eighty vessels of various kinds—ships, galleys, cogs, car-racks, barges, lincs, ballingars, &c.—which were captured this same year by the governor of Calais and the seamen of the Cinque Ports. “There were taken,” says the historian Walsingham, “and slain in those ships, 226 seamen and mercenaries. Blessed be God for all things.” One ship taken by the Cinque Port vessels was valued (her cargo no doubt included) at 20,000 marks. But half a century before this we read of Genoese galleys, laden with wool, cloth, and other merchandize, which were reckoned to be worth 60,000*l.* and 70,000*l.* in the money of Genoa.

Some notices that have been preserved of the shipping of Scotland during this period prove its amount to have been more considerable than might be expected. Indeed, that country seems to have had some reputation for ship-building even on the Continent. Matthew Paris relates that one of the great ships in the fleet that accompanied St. Louis on his first crusade, in 1249, had been built at Inverness, for the Earl of St. Paul and Blois. The historian calls her “a wonderful ship,” in allusion, apparently, to her magnitude. Mention is made in an ancient charter of one ship which belonged to the Scottish crown in the reign of Alexander III., who died in 1286; and Fordun states that, at this time, the King of Man was bound to furnish his liege lord, the King of Scots, when required, with five warlike galleys of twenty-four oars, and five of twelve oars; and that other maritime vassals contributed vessels in proportion to their lands. One of Alexander’s commercial laws was of a singular character, if we may believe this historian. In consequence of several merchant-vessels belonging to his subjects having been taken by pirates or lost at sea, while voyaging to foreign parts, he prohibited the merchants of Scotland from exporting any goods in their own vessels for a certain time. The consequence, it is affirmed, was, that before the end of a year numerous foreign vessels arrived with goods of all kinds; and the kingdom obtained a cheaper and more abundant supply of the produce of

other countries than it had ever before enjoyed. If any such effect as this was produced, the law, at the same time that it restrained the native ship-owners from importing goods, probably removed some restrictions that had previously been imposed on the entry into the kingdom of foreign merchants. In the wars between England and Scotland, in the reign of Edward III., the latter country frequently made considerable naval exertions, sometimes by itself, sometimes in conjunction with its allies. In 1335, a vessel belonging to Southampton, laden with wool and other merchandise, was taken by some Scottish and Norman privateers in the mouth of the Thames; and in the following year a numerous fleet of ships and galleys, equipped by the Scots, attacked and plundered Guernsey and Jersey, and captured several English vessels lying at anchor at the Isle of Wight. In the autumn of 1357, again, three Scottish ships of war, carrying 300 chosen armed men, are stated to have cruised on the east coast of England, and greatly annoyed the trade in that quarter, till the equinoctial gales drove them, along with a number of English vessels, into Yarmouth, where they were taken. These appear to have been unauthorised private adventurers, there being at this time a truce between the two countries. The bold enterprise of the Scottish captain, John Mercer, in 1378, till a stop was put to his career by the public spirit of a citizen of London, John Philpot, is famous in our annals. Mercer is said to have been the son of a burgess of Perth, one of the most opulent merchants of Scotland, who, the year before, when returning from abroad, had been driven by stress of weather upon the English coast, and there seized and confined for some time in the castle of Scarborough. It was to revenge this injury that the son fitted out his armament. A few years after this, some privateers of Hull and Newcastle captured a Scottish ship, the cargo of which, according to Walsingham, was valued at 7000 marks.

The most ancient record which presents a general view of the foreign trade of England is an account, preserved in the Exchequer, of the exports and imports, together

with the amount of the customs paid upon them, in the year 1354. The exports here mentioned are, 31,651½ sacks of wool at 6*l.* per sack; 3036 cwt. (120 lbs.) of wool at 40*s.* per cwt.; 65 woolfels, total value 21*s.* 8*d.*; hides to the value of 89*l.* 5*s.*; 4774½ pieces of cloth at 40*s.* each; and 8061½ pieces of worsted stuff at 16*s.* 8*d.* each: total value of the exports, 212,338*l.* 5*s.*, paying customs to the amount of 81,846*l.* 12*s.* 2*d.* Wool therefore would appear, by this account, to have constituted about thirteen-fourteenths of the whole exports of the kingdom. The customs would seem to have been almost entirely derived from wool: the amount paid by the hides and cloth exported amounts only to about 220*l.* The duty on the export of wool exceeded 40 per cent. on the value. The imports mentioned are, 1831 pieces of fine cloths at 6*l.* each; 397¾ cwt. of wax at 40*s.* per cwt.; 1829½ tuns of wine at 40*s.* per tun; and linens, mercery, grocery, &c., to the value of 22,943*l.* 6*s.* 10*d.*:—making a total value of 38,383*l.* 16*s.* 10*d.* The great excess, according to this statement, of the exports over the imports, has been regarded as evincing the moderation and sobriety of our ancestors. “But when we look at the articles,” it has been well observed, “and find that of raw materials for manufactures, which constitute so great a part of the modern imports, there was not one single article imported, and that, on the other hand, the exports consisted almost entirely of the most valuable raw materials, and of cloths in an unfinished state, which may therefore also be classed among raw materials, we must acknowledge that it affords only a proof of the low state of manufactures and of commercial knowledge among a people who were obliged to allow foreigners to have the profit of manufacturing their own wool, and finishing their own cloths, and afterwards to repurchase both from them in the form of finished goods.”*

This account is probably to be considered as comprehending only those articles from which the revenue of the customs was derived. We know that several other

* Macpherson, *Ann. of Com.* i. 554.

articles besides those mentioned were, at least occasionally, exported. A demand for the tin of Britain, for instance, appears to have always existed on the Continent. A Cornish miner, indeed, who had been banished from his native country, is said to have, in the year 1241, discovered some mines of tin in Germany, the produce of which was so abundant that the metal was even imported into England, by which the price in this country was considerably reduced ; but this competition certainly did not permanently destroy either the domestic or the export trade in British tin. In 1338 we find Edward III. ordering all the tin in Cornwall and Devonshire, including even what might have been already sold to foreign merchants, to be seized and sent to the Continent, there to be sold on his account, the owners being obliged to accept of a promise of payment in two years. In 1348, it is recorded that the merchants and others complained to the parliament that all the tin of Cornwall was bought and exported by Tidman of Limburgh, so that no Englishman could get any of it ; they therefore prayed that it might be freely sold to all merchants ; but they received for answer that it was a profit belonging to the prince, and that every lord might make his profit of his own. Cornwall had in 1337 been erected into a duchy in favour of the Black Prince, and settled by act of parliament on the eldest son of the king, as it still remains. The export of tin is mentioned, in 1390, in the statute 14 Rich. II. c. 7, which declares Dartmouth the only port at which it shall be shipped ; and also in the following year, in the 15th Rich. II. c. 8, which repeals the last-mentioned act, and allows the exportation of the commodity from any port, but provides that it shall be carried only to Calais, so long as wool shall be carried to that place. Lead, butter, and cheese are likewise, as we have seen, enumerated among the "commodities of the land," in which foreign merchants were compelled, by the 14th Rich. II. c. 1, to invest half the money which they should receive for the commodities they imported. The exportation of lead in particular is repeatedly alluded to in the regulations respecting the staple, and other acts

of parliament; and considerable quantities of that metal are supposed to have been now obtained from the Welsh mines. It may be presumed, also, that iron was occasionally exported during this period, from the statute 28 Edw. III. c. 5 (passed in 1354), which enacts that no iron, whether made in England or imported, shall be carried out of the country. Salted fish, and especially herrings, formed another article of export, at least from the commencement of the thirteenth century, and probably from a much earlier date. Corn appears to have been sometimes exported, sometimes imported, but apparently never without the special licence of the crown. Thus we find Edward III., in 1359, granting liberty to the Flemings to trade in England, and to export corn and other provisions from the country on obtaining his special licence and paying the customs. In 1376, on the other hand, a permission is recorded to have been granted to import 400 quarters of corn from Ireland to Kendal in Westmoreland. In 1382 a general proclamation was issued, prohibiting, under penalty of the confiscation of the vessel and cargo, the exportation of corn or malt to any foreign country, except to the king's territories in Gascony, Bayonne, Calais, Brest, Cherbourg, Berwick-upon-Tweed, and other places of strength belonging to the king. But twelve years afterwards, by the statute 17 Rich. II. c. 7, all English subjects were allowed to export corn to any country not hostile, on paying the due customs—a power, however, being still reserved to the king's council to stop the exportation if necessary. The introduction of the use of coal as an article both of foreign trade and of domestic consumption is probably to be assigned to this period, though some have been disposed to carry it farther back. The earliest authentic document in which coal is distinctly mentioned is an order of Henry III., in 1245, for an inquisition into trespasses committed in the royal forests, in which inquiry is directed to be made respecting sea-coal ("de carbone maris") found in the forests. This expression appears to imply that coals had before this time been brought to London by sea, probably from Newcastle. Sea-coal Lane (between

Skinner Street and Farringdon Street) is mentioned by that name in a charter of the year 1253. Regulations are laid down for the sale of coals in the statutes of the guild of Berwick-upon-Tweed, which were established in 1284. There is extant a charter of William of Obervell, in 1291, granting liberty to the monks of Dunfermline, in Scotland, to dig coals for their own use in his lands of Pittencrief, but prohibiting them from selling any. It is probable, however, that this description of fuel was not as yet much used for domestic purposes; for the smoke, or smell, of a coal fire was at first thought to be highly noxious. "This same year (1306)," says Maitland, in his History of London, "sea-coals being very much used in the suburbs of London by brewers, dyers, and others requiring great fires, the nobility and gentry resorting thither complained thereof to the king as a public nuisance, whereby they said the air was infested with a noisome smell, and a thick cloud, to the great endangering of the health of the inhabitants; wherefore a proclamation was issued, strictly forbidding the use of that fuel. But, little regard being paid thereunto, the king appointed a commission of Oyer and Terminer to inquire after those who had contumaciously acted in open defiance to his proclamation, strictly commanding all such to be punished by pecuniary mulcts; and for the second offence to have their kilns and furnaces destroyed." What would these sensitive alarmists of the fourteenth century have said if they could have been informed that the day would come when London should have constantly some ten or twelve tons of coal-dust suspended over it? The prejudice against coal fires, however, seems to have in no long time died away. In 1325 we find mention made of the exportation of coals from Newcastle to France; and the first leases of coal-works in the neighbourhood of that town of which there is any account are dated only a few years later. They were granted by the monks of Tynemouth to various persons at annual rents, varying from two to about five pounds. Ten shillings' worth of Newcastle coals are recorded to have been purchased for the coronation of Edward III. in 1327. Before

the end of the fourteenth century there is reason to believe that an active trade was carried on in the conveyance of Newcastle coal by sea to London and elsewhere.

Wool, however, was during the whole of this period, as for a long time afterwards, the great staple of the kingdom. In 1279, in a petition to Edward I., the nobles asserted that the wool produced in England, and mostly exported to Flanders, was nearly equal to half the land in value. English wool appears also to have been in great request in France, in which country, as well as in Flanders, the manufacture of woollen cloth was early established. Little cloth, as we have already had occasion to observe, was made in England, and that little only of the coarsest description, till the wise policy of Edward III., by a grant dated in 1331, invited weavers, dyers, and fullers, from Flanders, to come over and settle in the country, promising them his protection and favour on condition that they should carry on their trades here, and communicate the knowledge of them to his subjects. The first person who accepted of this invitation was John Kempe, a weaver of woollen cloth: he came over with his goods and chattels, his servants and his apprentices. Many of his countrymen soon followed. A few years later other weavers came over from Brabant and Zealand; and thus was established certainly the first manufacture of *fine* woollen cloths in England. It was many years, however, as we have seen, before this infant manufacture was able even to supply the domestic demand, far less to maintain any export trade in woollens. The cloths of the Continent, in spite of various legislative attempts to exclude them, long continued to be imported in considerable quantities. The 4774½ pieces of cloth exported in 1354 were evidently, from their price, of the old coarse fabric of the country. Large quantities of the English wool also continued annually to go abroad. With the view of keeping up the price of the article,* it was enacted by the statute 14 Rich. II. c. 4, passed in 1390, that no denizen of England should buy wool except of

* Por mentz garder le haut pris des leyns.

ers of the sheep, and for his own use. In other
the entire export trade in the commodity was
ver to the foreign merchant, and he was at the
me confined to the export trade. The object
y was to secure to the grower not only his proper
but in addition those of the wool-merchant and
in so far as regarded the domestic consumption.
sides the injury to the native merchant by his
n from the export trade, it was strangely forgotten
monopoly of that trade secured to the foreigner
ve deprived the grower of perhaps half his cus-
—namely, of all the English dealers who would
urchased the article for exportation; and must
y diminishing competition, have tended to de-
ices instead of raising them. Such, accordingly,
to have been the effect produced. The con-
ry historian Knyghton tells us that, in conse-
of this prohibition of the export of wool by
merchants, the article lay unsold in many places
and three years, and many of the growers were
to the greatest distress. In 1391, however,
the quantity of wool exported is affirmed to
in that year much less than formerly, the customs
ounted to 160,000*l.* According to Robert of
y, who is supposed to have died about 1356, the
xportation of wool from England had, in his day,
to above 100,000 sacks, the customs on which,
ty of 50*s.* on the sack, would produce a revenue
250,000*l.* This estimate, however, is very in-
at with the official account already quoted of the
xports and imports for 1354. If it is to be at all
, it ought probably to be assigned to a date con-
y later than that at which Avesbury is commonly
to have died.

Principal society of foreign merchants at this time
ed in England appears to have been that of the
ts of Cologne. They had a hall or factory in
called their Gildhall, for the saisine (or legal
on) of which they paid thirty marks to the crown
1220. "It seems probable," says Macpherson,

"that this Gildhall, by the association of the merchants of other cities with those of Cologne, became in time the general factory and residence of all the German merchants in London, and was the same that was afterwards known by the name of the German Gildhall (*Gildhalla Teutonicorum*). It appears that the merchants of Cologne were bound to make a payment of two shillings, probably a reserved annual rent (for we are not told upon what occasions it was payable) out of their Gildhall, besides other customs and demands, from all which they were exempted in the year 1235, by King Henry III., who moreover gave them permission to attend fairs in any part of England, and also to buy and sell in London, saving the liberties of the city." * The principal part of the foreign trade, however, seems to have been in the hands of the Merchants of the Staple, otherwise called the Merchants of England, who, as noticed above, were incorporated at least as early as the year 1313. This society was composed of native merchants.

It has also been affirmed that there existed, so early as the middle of the thirteenth century, an association of English merchants for trading in foreign parts, called the Brotherhood of St. Thomas Becket of Canterbury, from which originated the afterwards celebrated company of the Merchant Adventurers of England; but this story does not rest on any sufficient authority.†

The historian Walsingham has preserved the record of a remarkable proposal which was made in 1379 to Richard II. by an opulent merchant of Genoa. This foreigner, it is said, submitted to the English king a plan for raising the port of Southampton to a pre-eminence over every other in the west of Europe, by making it the deposit and mart of all the Oriental goods which the Genoese used to carry to Flanders, Normandy, and Bretagne, whica countries would thenceforth be supplied with these commodities from England. All that the Genoese mer-

* Annals of Com. i. 383.

† See Wheeler's Treatise of Commerce, pp. 10 and 14; and Macpherson, i. 397 and 560.

chant asked, according to Walsingham, was, that he should be allowed to store his goods in the royal castle of Southampton. It is probable, however, that this was only one of the minor features of his plan, which must have been chiefly dependent for its success upon the resources and connexions of its author, the spirit with which it was taken up and supported by the English king, and the natural aptitude of the port of Southampton to serve as a reservoir of the Oriental trade. As yet, it is to be remembered, no direct trade existed between India and Europe; all the produce of the former that found its way to the latter was procured by the merchants of Venice, Genoa, and other cities of Italy, from the emporia in the eastern parts of the Mediterranean, of which the principal at this time were Acre, Constantinople, and Alexandria. It is not very obvious what advantage the Italian importers were to expect from bringing all their goods in the first instance to Southampton, instead of proceeding with them directly to the continental markets. Walsingham says it was expected, if the plan had been carried into execution, that pepper would have been sold in England at four pennies a pound, and other spices at a proportionably low rate. Silk was now manufactured, and the silk-worm reared, in Italy and other countries of the south of Europe, and little, if any, was brought from Asia; so that spiceries and fruits seem to have been the principal commodities which were received from the eastern trade. The cargo of a Genoese ship, which was driven ashore at Dunster, in Somersetshire, in 1380, consisted of green ginger cured with lemon-juice, one bale of arquinetta,* dried grapes or raisins, sulphur, 172 bales of wadde (perhaps woad), 22 bales of writing-paper, white sugar (perhaps sugar-candy), 6 bales of empty boxes, dried prunes, 8 bales of rice (probably rice), 5 bales of cinnamon, 1 pipe

* Both Anderson and Macpherson quote this term from the original statement in the *Fœdera* (vii. 233), without either explanation or question. We have not been able to discover the meaning of the word.

"pulveris salvistri," the meaning of which is unknown, and 5 bales of bussus (probably fine Egyptian flax). Some Genoese cogs and carracks, however, bound for Flanders, that were seized on the coast of Kent in 1381, are said to have been laden not only with spices, but with wines, stuffs of gold and silk, gold, silver, precious stones, &c. The scheme of the Genoese merchant with regard to Southampton was put an end to by its author being murdered in the streets of London by assassins, whom some English merchants are charged with having hired, in the apprehension that his proposal was calculated to be injurious to their interests. It seems to have been one of those bold designs which have more in their character of the prophetic than of the practical ; it was a conception that shot ahead of the age, and the attempt to realise it at that time would probably, in the most favourable circumstances, have proved a failure ; but this selection of Southampton for a great European emporium in the fourteenth century may be regarded as in some degree an anticipation of the project which has been accomplished in the nineteenth, of bringing that place within a few hours' distance of London by means of a railway, an improvement which in course of time may have the effect of turning the natural advantages of its position to full account by making it one of the ports of the metropolis.

A few facts remain to be added respecting the commerce of Scotland during this period, in addition to those that have already been incidentally noticed. The chief seat of the Scottish foreign trade continued to be at Berwick till the capture of that town by Edward I. in 1296. A society of Flemish merchants, similar, apparently, to the Teutonic Gildhall of London, was established in that place ; they greatly distinguished themselves by the gallantry with which they defended a strong building, called the Red Hall, which was their factory, in the siege of Berwick, before this catastrophe, is described in the contemporary chronicle of Lanercost as a second Alexandria for the number of its inhabitants and the extent of its commerce. The sea, it is added, was its wealth ; the

waters were its walls ; and the opulent citizens were very liberal in their donations to religious houses. The customs of Berwick were rented from Alexander III. by a merchant of Gascony for 2197*l.* 8*s.*, a sum which would in those days have bought about 16,000 quarters of wheat. "By the agency of the merchants of Berwick, the wool, hides, woolfels, and other wares, the produce of Roxburgh, Jedburgh, and all the adjacent country, were shipped for foreign countries, or sold upon the spot to the Flemish company. The exportation of salmon appears to have been also a considerable branch of their trade, as we find it some time after an object of attention to the legislature of England, and the regulation of it entrusted to the great officers of the government. When Edward III. wanted two thousand salmon for his own use in the year 1361, he sent orders to procure them for him at Berwick (then belonging to England) and Newcastle—no doubt the places most famous for them in his dominions."* Berwick, however, never recovered from the blow given to its prosperity by the destructive sack of 1296. In the middle of the following century we find the Scottish pearls still exported to the continent. In the statutes of the goldsmiths of Paris, drawn up in 1355, it is ordered that no worker in gold or silver shall set any Scottish pearls along with oriental ones, except in large jewels (that is, figures adorned with jewellery) for churches. The Scottish greyhounds were also at this time in request in other countries. "The trade of driving cattle from Scotland for sale in England, which has continued down to the present day," Mr. Macpherson observes, "is at least as old as the times now under our consideration ; for we find a letter of safe conduct granted (12th January, 1359) to Andrew Moray and Alan Erskine, two Scottish drovers, with three horsemen and their servants, for travelling through England or the king's foreign dominions for a year, with horses, oxen, cows, and other goods and merchandise."† An act of the Scottish parliament in 1367 orders the strict levying

* Macpherson, i. 446.

VOL. I.

† Ibid., i. 561.

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of the duties formerly imposed of forty pennies in the pound on the price of all horses, and twelve pennies on that of all oxen and cows carried out of the country. Both corn and malt were often imported into Scotland, at this period from England and other countries.

From Ireland there was now a considerable exportation both of raw produce and of manufactured goods. In the records of the Exchequer for the first year of Edward I. a notice occurs of some cloth of Ireland, having been stolen at Winchester in the preceding reign, along with some cloth of Abingdon, and some cloth of London called burrel. Mention has been made above of the supplies of corn that appear to have been occasionally obtained from Ireland. It seems to have been exported to the continent as well as to England, till an ordinance was issued in 1288, prohibiting corn and other victuals and merchandise from being carried from Ireland anywhere except to England and Wales. Yet, in 1291, we find some Flemish merchants mentioned as being in the ports of Waterford, Youghall, and Cork. In 1300, while Edward I. was in Scotland, the people of Drogheda sent him a present of eighty tuns of wine to Kirkcudbright in a vessel belonging to their own port; and the same year several cargoes of Irish wheat, oats, malt, and ale were brought to him, and mostly by the merchants of Ireland and in Irish vessels. In 1322, we find Edward II., when preparing to march into Scotland, giving orders for 9000 quarters of wheat and other grain to be sent from Ireland. By the statute 34 Edward III. c. 17, passed in 1360, liberty was given to all merchants and others, whether aliens or natives, to trade freely to and from Ireland, on paying the ancient customs and duties. "At this time," says Macpherson, "there were some considerable manufactures in Ireland. The stuffs called *sayes* made in that country were in such request, that they were imitated by the manufacturers of Catalonia, who were in the practice of making the finest woollen goods of every kind; they were also esteemed in Italy, and were worn by the ladies of Florence, a city abounding with the richest manufactures, and in which

y of dress was carried to the greatest height. al revenue derived from Ireland, which amounted 10,000*l.*, gives a very respectable idea of the rawn into that country by its commerce and res, though we know next to nothing of the nature of them ; unless we suppose a great e money to have been drawn from the mines, , I believe, there is neither authority nor pro- * This year King Edward understanding, as d in the Fœdera says, that there were various gold and silver in Ireland, which might be very to himself and the people of that country, had ned his ministers there to order a search for , and to do what would be most for his advan- e matter. The statute 50 Edw. III. c. 8 (A.D. kes mention of cloth called frise as being made , and also of cloth manufactured in England l wool.

nominations and relative values of the different English Money continued the same in this as in ding period. The coinage had been greatly partly by clipping, partly by the issue of ts, in the early part of the reign of Henry III. ; uence of which that king, in the year 1247, he old coin, and issued a new penny of a dif- imp. In the exchange a deduction of thirteen he pound was made from the nominal value of in, which occasioned great complaints ; but the was not depreciated, or made of a less quantity han formerly. The pennies of Henry III. are non, and there also exist silver halfpence and of his coinage. All the money was now made t is also said that, in 1257, Henry issued a gold e weight of two silver pennies, which was or- ass for twenty pennies of silver. It was how- recalled, on the complaint of the citizens of at gold was rated above its value, in being thus ul to ten times its weight in silver ; and no spe-

herson, i. 562, where the authorities are quoted.

cimens of this earliest English coinage of gold are now known to exist.

Soon after the accession of Edward I. the country was again found to be inundated with base or light money, consisting chiefly of pieces fabricated on the continent, and known, from their impresses, by the names of mitres, lionines, pollards, crockards, rosaries, staldings, steepings, and eagles,—some being imitations of English money, others professing to be foreign coins. Various laws were made both against the importation of this counterfeit money, and against the clipping of the proper coinage of the realm. The severity with which these crimes were visited upon the Jews in particular has been already recorded. Edward himself, however, in the latter part of his reign began the pernicious practice of depreciating the coin by diminishing its legal weight. In 1301 he issued a coinage of pennies, of which 243 (instead of 240, as formerly) were coined out of the pound of silver. In 1279 Edward had issued a new silver coin in imitation of one which had been introduced in France, being of the value of four pennies, and called a gross or groat, that is, a great penny. This coinage of groats seems to have been a small one, but some specimens are still extant.

No coins of Edward II. are certainly known to exist, though it is possible that some of those that have been attributed to his father may be of his coinage; for it was still usual to omit on the legend the numerical distinction of the king's name.

Edward III., in 1344, issued no fewer than six different gold coins,—namely, by one coinage, pieces marked with two leopards to pass for six shillings, others of half that weight and value marked with one leopard, and others marked with a helmet of half the value of the last; and, by a second, nobles of the value of six shillings and eight pence, and halves and quarters of nobles. The second coinage was made necessary by the refusal of the people to take the coins first issued at the value placed upon them. This king also carried the depreciation of the coin much farther than his grandfather had done, by

an issue this same year of silver pennies, of which 266 were made out of the pound. Two years after he coined 270 pennies out of the pound of silver; and in 1351 he issued a new groat to be current at the old rate of four-pence, although it scarcely weighed more than three pennies and a half even of his last diminished money. There are two groats of Edward III., one with the title of King of France, the other without. It is upon his coins also that we first read the motto *Dieu et mon droit* (God and my right), which was originally adopted in allusion to the claim to the French crown. He also coined half groats.

The coins of Richard II., which are nobles, half nobles, quarter nobles, groats, half-groats, pence, and halfpence, are of the same real values with those last coined by his grandfather. It is sometimes difficult to distinguish his silver money, from the want of the numerals, from that of Richard III.

The Scottish money was deteriorated in the course of this period to a still greater extent than the English; the parliament in 1367 having ordered that 352 pennies should be made out of the pound of silver. It is supposed that gold money was first coined in Scotland in the reign of Robert II. (A.D. 1371—1390). There were repeated coinages of money in Ireland; but in 1339 we find a species of coin of inferior quality, and apparently of foreign fabrication, authorised to pass current in that country, on the ground of the insufficient amount of good money. These base pieces were called turneys, or black-money, or sometimes black-mail, from the French word *maille*, anciently used for a piece of money.

Even the legal coins of this period are generally rude in workmanship, and by no means of uniform weight. The standard of weight at this time was scarcely more artificial than that which Henry I. established for measures of length, when he ordered that the ell should be as long as the royal arm. The statute called the Assize of Weights and Measures, which is attributed, in some copies, to the reign of Henry III., in others to that of Edward I., states that, "by consent of the whole realm,

the king's measure was made so that an English penny, which is called the sterling, round without clipping, shall weigh *thirty-two grains of wheat dry in the midst of the ear.*" This is the origin of the weight still called a pennyweight, though it now contains only twenty-four grains. The process of coining was equally rude. First, the metal, as appears from an entry in the Red Book of the Exchequer in the reign of Edward I., "was cast from the melting-pot into long bars; those bars were cut with shears into square pieces of exact weights; then with the tongs and hammer they were forged into a round shape; after which they were blanched, that is, made white or resplendent by nealing or boiling, and afterwards stamped or impressed with a hammer, to make them perfect money. And this kind of hammered money continued through all the succeeding reigns, till the year 1663, when the milled money took place."*

* Leake's Historical Account of English Money, 2nd edit. p. 77.

CHAPTER V.

**FROM THE ACCESSION OF HENRY IV. TO THE END OF THE
REIGN OF RICHARD III. A.D. 1399—1485.**

THE rule of the House of Lancaster, with whatever ultimate benefits it may have been fraught in this as well as in other respects, could not, while it lasted, have proved favourable, on the whole, to the interests of the national industry, productive as it was of long and expensive foreign wars in the first instance, and, as soon as they were ended, of the still more wasteful calamity of domestic discord, bloodshed, and confusion. The reign of the first of the three princes of that house, however, was, after the two or three first years, a time of general tranquillity both at home and abroad; and during that interval the trade and few manufactures of the country probably flourished as much as at any former period. Henry IV. appears to have felt the importance of protecting and promoting the commerce of his subjects; or, at all events, the public mind was now so much awake to these objects that he could not afford to disregard them. The history of his government affords many instances of his interference being called for and exerted to open new facilities for the intercourse of the kingdom with other countries, or to obtain redress for injuries which his subjects had sustained in their commercial dealings with foreigners. Thus, in the very first year of his reign, we find him granting letters of marque and reprisal against the Earl of Holland, and issuing orders to his admirals to detain all vessels and property in England belonging to the people of Holland and Zealand, till the earl should take measures to compel the payment of certain debts due by his subjects to English creditors. The same year he summoned the governors of several of the Hanse

Towns and their protector, the Grand Master of the Teutonic Order, to appear in person or by deputy before his council, to answer the complaints of the merchants of England, that they were not treated in those places as well as the merchants from them were treated in England, notwithstanding the express stipulations of the treaty which secured to the foreign merchants the privileges they enjoyed in this country. This dispute with the famous association of the Hanse Towns, already the most powerful commercial community in Europe, was protracted through a long course of subsequent transactions, which it is unnecessary to detail. The foreign merchants alleged that they had more reason for complaint against the English than the English had against them ; that their privileges were infringed upon by the corporations of London and other places ; that they were subjected to the grossest impositions by Henry's custom-house officers ; and that their ships had been repeatedly attacked and plundered at sea by his subjects. In the end, it seems to have been admitted that these representations were well founded ; for it was finally agreed, in 1409, by commissioners appointed on both sides, that all differences should be settled by Henry paying above 30,000 English nobles to the Grand Master and the magistrates of Hamburg ; while the Grand Master, on the other hand, was let off on the payment of only 766 nobles to the English sufferers. A new treaty was then concluded, on the basis of mutual freedom of trade, and oblivion of past injuries. In case of any future outrages, the respective sovereigns bound themselves to make satisfaction for the aggressions of their subjects ; failing which, the sovereign of the party injured was to have the right of arresting any subject of the other power found in his dominions within six months after preferring the complaint.* Repeated treaties on the same basis of mutual freedom of intercourse were made in the course of the reign with Castile, Portugal, Flanders, Britany, and other countries. The growing importance of the

* Macpherson's Annals of Commerce, i. 62.

foreign trade of England at this period is further indicated by the frequent applications which are noticed as having been made to Henry by those of his subjects interested in particular branches of it for their separate incorporation, or, at least, the public recognition of them as associated for a specific object. Thus, in 1404, the English merchants trading to Prussia and the Hanse Towns were empowered to elect a governor, who should exercise a general authority over their body, and in the settlement of disputes between them and foreigners. Three years after, the same privilege was granted to the merchants trading to Holland, Zealand, Brabant, and Flanders; and in 1408, to those trading to Norway, Sweden, and Denmark. These governors of the English merchants, whose functions somewhat resembled those of consuls in modern times, appear usually to have resided in the foreign country to which the merchants resorted. It soon became customary to appoint such a governor for every country with which any commercial intercourse was carried on.

Some very curious notices of the productions and commerce of the principal countries of Europe at the commencement of the fifteenth century are found in the recital given by the Byzantine historian, Laonicus Chalcondyles, of the observations made by Manucl, the unfortunate Emperor of Constantinople, who, in the year 1400, visited Italy, France, England, and other parts of the West, to solicit the aid of the monarchs of Christendom against the Turkish barbarians, now all but masters of the imperial capital itself. The following abstract of so much of the Greek writer's account as belongs to the present subject is presented by the modern Historian of Commerce: "The natives of Germany excel in the mechanic arts, and they boast of the inventions of gunpowder and cannons. Above two hundred free cities in it are governed by their own laws. France contains many flourishing cities, of which Paris, the royal residence, is pre-eminent in wealth and luxury. Flanders is an opulent province, the ports of which are frequented by merchants of our own sea (the Mediterranean) and

the ocean. Britain (or rather England) is full of towns and villages. It has no vines, and but little fruit, but it abounds in corn, honey, and wool, *from which the natives make great quantities of cloth.* London, the capital, may be preferred to every city of the West for population, opulence, and luxury. It is seated on the river Thames, which, by the advantage of the tide, daily receives and despatches trading vessels from and to various countries.”*

The establishment of Banks, which now began to take place in various parts of Europe, affords an unquestionable indication of the general extension of commercial transactions. Bills of exchange, as already noted, had been in use from the early part of the thirteenth century ; and, at least by the beginning of the fifteenth, if not earlier, the form in which they were drawn out, and the usages observed respecting their negotiation and non-payment, had come to be nearly the same as at the present day.† Although, however, the origin of the Bank of Venice is carried back to the institution of the *Camera degl' Impræstiti* (or Chamber of Loans), being an office for the payment of the annual interest on the debts of the republic, in 1171, the *Taula de Cambi* (or Table of Exchange) opened at Barcelona, by the magistrates of that city, in 1401, is generally considered to have been the earliest European establishment properly of the nature of what is now called a bank. The Bank of Genoa originated in the establishment, in the year 1407, of the *Chamber of St. George*, which at first, however, was merely an office for the management of the debts of the republic, similar to the Venetian Chamber of Loans.

The false notions on the subject of money to which we had occasion to advert in the preceding Chapter, as hav-

* Macpherson, i. 611. The whole of the information respecting these countries of the West, preserved by Chalcondyles, has been collected and woven into a spirited sketch by Gibbon, Decline and Fall of Rom. Emp. ch. 66.

† Copies are given by Capmany, in his History of Barcelona, of two bills of Exchange, dated in the year 1404, which it is believed are the oldest that have been preserved.

ing given rise in England to so much absurd and mischievous legislation, were not yet corrected by the enlarged commercial experience of the present period. In 1402, we find the parliament enacting, in the spirit of former statutes, that all merchants, whether strangers or denizens, importing commodities from abroad, and selling them in the country for English money, "shall bestow the same money upon other merchandise of England, for to carry the same out of the realm of England, without carrying any gold or silver in coin, plate, or mass, out of the said realm, upon pain of forfeiture of the same, saving always their reasonable costs."* There can be no doubt that the main motive of this and other prohibitions of the same kind was far more to prevent the purely imaginary evil of the export of English money than even to promote the really desirable, however unwise pursued object, of the export of English produce or manufactures. The law, however, entirely failed of its intended effect. The statute of 1402 was confirmed the following year,† with additional provisions for its more effective execution —a fact which is itself sufficient evidence that it had proved useless, or been generally evaded; but this new attempt to compass an impossibility was not more successful than the former; for, in a few months after their enactment, we find the principal part of the recent more stringent regulations abandoned, and declared "utterly void and annulled for ever," as having been seen by the king and his parliament to be "hurtful and prejudicial as well for himself and his realm, as for the said merchants, aliens, and strangers."‡ From other recorded facts, also, it appears that, notwithstanding all these prohibitions, English money constantly found its way to the continent, and was commonly current in every country of Europe. Thus, when Eric, King of Sweden, in 1408, bought the Isle of Gothland, with its great commercial emporium of Wisbuy, from the Grand Master of the Teutonic Order, he is stated to have paid for it in

* Stat. 4 Hen. IV. c. 15. † Stat. 5 Hen. IV. c. 9.

‡ Stat. 6 Hen. IV. c. 4.

English nobles. So, on the settlement, as mentioned above, of the differences with Prussia and the Hanse Towns, in 1409, it was arranged that all the payment on both sides should be made in the same coin, as if it were a common European currency. On another occasion, indeed—the payment of 100,000 English nobles to the Duke of Burgundy, in 1431—it is expressly noted, that the money was estimated at its current rate.*

A few years before the commencement of the present period, all export or import of merchandise in any other than English ships had been prohibited, under pain of the forfeiture of vessel and cargo.† Like many of the other mercantile laws of those times, however, this first navigation act passed by the English parliament seems to have been, by no means, strictly enforced. In the documents relating to the quarrel with the Hanse Towns and Prussia, foreign ships are repeatedly mentioned as being laden with goods which were the property of English merchants, and, apparently, exported from England. Woollen cloth is the article that most frequently occurs; another is wine, which, however, could only be legally exported under the royal licence.

A considerable trade was now carried on with Venice. In 1409 permission was granted by King Henry to the merchants of Venice to bring their carracks, galleys, and other vessels laden with merchandise, into the ports of England and his other dominions, to transact their business, to pass over to Flanders, to return to his dominions, to sell their goods without impediment or molestation from his officers, to load their vessels with wool, cloth, or other English merchandise, and to return to their own country. This licence, which was often renewed, shows us what was the nature of the Venetian trade with England at this time. It was in part what is called a carrying trade, one of its objects being the interchange of the commodities of England and Flanders. The Byzantine,

* See these instances quoted with the authorities in Macpherson, i. 619 and 623.

† 5 Rich. II. st. i. c. 3.

historian Chalcondyles has recorded some particulars respecting the commerce of Venice, in relating the visit of the Emperor John Palæologus to that city in 1438. It is described as excelling all the other cities of Italy in the magnificence of its buildings and the opulence of the inhabitants. According to this account, twenty-two of their largest vessels, under the command of the sons of the nobles, were employed in trading to Alexandria, Syria, Tanais, the British Islands, and Africa. A few years before this time, it was asserted, in a speech addressed by the Doge Tommas Mocenigo to the senate, that the total value of the annual exports from Venice to all parts of the world was not less than ten millions of ducats. The shipping belonging to the citizens of the republic consisted of 3000 vessels, manned by 17,000 seamen; 300 ships, carrying 8000 seamen; and 45 galleys, of different sizes, but carrying, in the whole, 11,000 men, or, on an average, nearly 250 each. In the trade with England the balance was what is called against the republic; the money-payments made to England amounted annually to 100,000 ducats—which was one-fifth of the sum sent every year into Syria and Egypt, the latter being probably very nearly the whole cost price of the oriental productions imported by the republic.*

Henry V. also began his reign by giving evidence of his disposition to favour and encourage commerce. One of his first acts was to confirm the privileges that had been granted by his father and preceding kings to the Venetians, and to other foreign merchants. The splendid illusion of the conquest of France, however, soon drew off his attention from this as well as from all other subjects of domestic interest; and the history of his reign furnishes scarcely a fact worth referring to for our present purpose. It is to be feared, indeed, that the prosperity which had been springing up during several years of peace was now struck with a blight from which it did not

* Macpherson, i. 634, on the authority of Sanuto, *Vite de' Duche di Venezia*, ap. Muratori.

recover for many a day, and that every branch of social industry in the kingdom paid dear for the glory with which Henry's victories crowned the English name. These victories drained the land both of men and of money, and then spread among all classes of the people a spirit of restless and impatient aversion to every peaceful pursuit. Still it appears, from the account of the Treasurer for the year 1421,* that even in this anti-commercial reign the greater part of the public revenue was derived from the trade of the country. Among the new articles of English manufacture, and occasionally, as it would appear, of export, that now appear, may be mentioned both gunpowder and guns. The manufacture and export of guns are mentioned in a licence granted in 1411, for sending two small guns for a ship, along with the king's great gun, to Spain.

The misgovernment and political misfortunes of the greater part of the reign of Henry VI. probably did not oppress and injure the commerce of the kingdom nearly so much as the successful wars of his great father, which, by the very intoxication they produced in the public mind, dried up the spirit of mercantile industry and enterprise, and carried off the whole current of the national feelings and energies in an opposite direction. The loss of France, which was accounted at the time the great calamity and disgrace of the reign, was no loss to the trade of England. Even the weakness of the government did not operate so unfavourably as might be supposed upon that interest, which was now strong enough, if let alone, in a great measure to protect itself, or was, at least, pretty sure of receiving what facilities it needed in the shape of privileges or conventional stipulations from the general feeling of its importance and the mutual wants which bound one country to another. It is remarkable, that in this age a free commerce was not unfrequently continued between two countries even while their governments were at war, and treaties were made between them in contemplation of this state of things.

* Printed in Rymer, v. 113.

The trade between England and Flanders in particular was so indispensable to the people of both countries, that it was never long interrupted by any quarrel between the two governments.

A very curious general review of the commerce of Europe in the earlier part of the fifteenth century is contained in a poem published by Hakluyt, called ‘The Libel of English Policy,’ which appears to have been written in the year 1436 or 1437.* We will extract the most remarkable particulars that have any relation to England, introducing, as we go along, a few notices from other sources. In the first place, it appears, both from this poem and from other evidences, that the English wool of the finest quality was now superior to any produced even in Spain, which had already long been the greatest wool-growing country in Europe. It is stated that, although the Flemings obtained the greater part of their wool from Spain, they could not make good cloth of the Spanish wool by itself, but were obliged to mix it with the English. In Spain itself, in making the finest cloths, the mixture of any other wool with the English was strictly prohibited by a code of laws drawn up about this time by the magistrates of Barcelona, expressly “for the regulation of the manufacture of cloths made of fine English wool.”† The cloths of England, however, were still very inferior in fineness of texture to those both of Spain and the Netherlands; so that the fine English wool was sometimes carried to those countries, there to be manufactured into cloth, which was then sent back to the English market. In the coarser fabrics, on the other hand, the English appear to have already attained considerable excellence; for we find imitations of English cloth soon after this mentioned among the products of the looms of Barcelona.‡ According to the poem, whatever trade England had at this time with Spain was all carried on indirectly through the medium of the great Flemish emporium of Bruges,

* See Macpherson, i. 651.

† Ibid., i. 654.

‡ Capmany, Hist. de Barcelona.

that being the place to which all the Spanish exports were sent in the first instance. These consisted of figs, raisins, bastard wine, dates, liquorice, Seville oil, grain, Castile soap, wax, iron, wool, wadmole, skins of goats and kids, saffron, and quicksilver. With Portugal there was a direct intercourse, which was already considerable —wine, wax, grain, figs, raisins, honey, cordovan, dates, salt, and hides, being among the commodities imported from that country. A direct trade was also carried on with the Genoese, who resorted to England in great carracks, to purchase wool and woollen cloths of all colours, bringing to the country cloth of gold, silks, black pepper, great quantities of woad, wool, oil, wood-ashes, cotton, alum, and gold for paying their balances. Europe was now principally supplied with alum by the Genoese, who had obtained from the Greek emperor, Michael Palæologus, the lease of a mountain on the coast of Asia Minor, containing a mine of that substance, and where a fort which they built became the origin of a town called New Phocæa, after a city which had anciently stood on the same site. Gibbon, however, appears to be mistaken in asserting that the different nations of Europe, and among others the English, resorted to New Phocæa.* The alum was carried by the ships of the Genoese themselves to the ports of England, France, Germany, Italy, Spain, Arabia, Egypt, and Syria.† In 1450, we find Henry VI. making a purchase of alum to the amount of 4000*l.* from some merchants of Genoa, and afterwards selling it for twice that sum.‡ This transaction curiously illustrates the manner in which trade was at this period carried on by kings. The Genoese merchants were only paid in part by the money which they received, or rather which was promised them; for the bargain was, that their claim was to be discharged by the remission of that amount of custom-duties upon the goods brought and carried away by them: meanwhile, they were licensed by

* Decline and Fall of Rom. Emp. c. lxv.

† See Macpherson, i. 637.

‡ Cotton's Abridgment of the Rolls of Parliament, p. 647.

parliament to export from the south part of England any staple wares whatever, till the debt due to them should be paid. Out of this permission they would, no doubt, contrive amply to reimburse themselves for any sacrifice they may have made in the price at which they had disposed of the alum to the king. Then, on the other hand, to the merchants to whom his purchase was immediately resold by the king for ready money, and at so immense an advance of price, the parliament also gave what was, we may be certain, deemed sufficient compensation, in a grant of the monopoly of the whole trade in the article for the next two years—all persons being prohibited during that period from importing, buying, or selling any other alum. So that the king's profit of 4000*l.* was really extracted out of the pockets of his own subjects, partly in the shape of an imposition upon all consumers of alum, partly by the still more oppressive method of an invasion of the equal rights of all the native importers and exporters of that and every other commodity in which the Genoese traders dealt. The Genoese soon lost their establishment of Phocæa; but in 1459 they found new alum mines in the Isle of Ischia, by means of which they were enabled to continue their former commerce.

The balance of the trade of England with Venice and Florence would seem, according to the author of the ‘*Libel of English Policy*,’ to have been what is called favourable to the Italian communities; that is—contrary, as we have seen, to what other authorities assert to have been the case, at least in so far as Venice was concerned—it left a certain amount of money to be paid every year by England. He complains that these foreigners “bear the gold out of this land, and suck the thrift out of our hand, as the wasp sucketh honey of the bee.” Their imports, which were brought in large galleys, consisted in spiceries and groceries, sweet wines, apes and other foreign animals, and a variety of other articles of luxury. In return for these, besides money, they carried away wool, cloth, and tin, which they were accustomed to travel to Cotswold and other parts of

England to buy up. They sometimes, it is asserted, would buy on credit, and then sell the goods at Bruges, for ready money, five per cent. under what they had cost, for the sake of having the money to lend out at usury during the interval before their payments should become due. It appears, from some expressions of the author, that at this time English merchants also traded to Venice.

The English, according to this writer, bought greater quantities of goods in the marts of Brabant, Flanders, and Zealand, than all other nations together; though these marts or fairs were also frequented by the French, the Germans, the Lombards, the Genoese, the Catalonians, the Spaniards, the Scots, and the Irish. The purchases of the English consisted chiefly of mercery, haberdashery, and groceries; and they were obliged to complete them in a fortnight—a previous space of the same length having been allowed them for the sale of their cloth and other imports. The merchandise of Hainault, France, Burgundy, Cologne, and Cambray, was also brought in carts over-land to the markets of Brabant.

A trade to Iceland for stock-fish had been long carried on from the port of Scarborough; but for about twelve years past a share had been taken in it by Bristol and other ports. The author of the poem, however, states that, at the time when he wrote, the vessels could not obtain full freights. The Danish government in this age repeatedly attempted to prevent the English from trading to the coasts of Iceland.*

A curious fact is mentioned in this poem respecting the people of Britany. The inhabitants of St. Malo especially, it is affirmed, were still accustomed to roam the seas as pirates, very little regarding the authority of their duke, and often made descents upon the eastern coast of England, plundering the country, and exacting contributions or ransoms from the towns.

Among the documents in the *Fædera* occur various

* See Macpherson, i. 629, 650, 666.

lists of articles ordered to be purchased in England for foreign potentates, or permitted to be exported for their use without paying custom. One of these lists, dated in 1428, enumerates the following articles as then shipped for the use of the King of Portugal and the Countess of Holland. For the king, 6 silver cups, gilded, each of the weight of 6 marks (or 4 pounds); 1 piece of scarlet cloth; 1 piece of sanguine, dyed in grain; 1 piece of blood colour; 2 pieces of mustrevilers; 2 pieces of marble colour; 2 pieces of russet mustrevilers; 2 pieces of black cloth of lyre; 1 piece of white woollen cloth; 300 pieces of Essex straits for liveries; 2000 platters, dishes, saucers, pots, and other vessels, of electrum (some unknown substance—perhaps a kind of crockery); a number of beds of various kinds and sizes, with curtains, &c.; 60 rolls of worsted; 12 dozen of lances; and 26 ambling horses. For the countess, quantities of various woollen cloths; 12 yards of red figured satin; 2 pieces of white kersey; 3 mantles of rabbits' fur; 1½ timber of martens' fur; and a quantity of rye, whole and ground, in casks. All these articles, therefore, were at least to be now purchased in England; but it is probable that almost all of them were also the produce or manufacture of the country.

Another indication of the growing extension of the commerce of the kingdom is furnished by the instances now beginning to be of frequent occurrence of individuals rising to great wealth, and sometimes to rank and power, through the successful pursuit of trade. The most remarkable example of this kind of elevation is that of the De la Poles, successively Earls, Marquises, and Dukes of Suffolk, and eventually ruined by a royal alliance and a prospect of the succession to the crown. The founder of the greatness of this family, which shot so rapidly to so proud a height, and filled for a century so large a space in the history of the country, was a merchant originally of Ravensere (supposed to be the same with Ravenspur, on the east coast of Yorkshire, now obliterated), and afterwards of the neighbouring town of Hull, named William de la Pole, who flourished in the time of Ed-

ward III. He was esteemed the greatest merchant in England, and must have possessed immense wealth for that age, since on one occasion he lent King Edward no less a sum than 18,500*l.* Edward made the opulent merchant the chief baron of his Exchequer, and a knight banneret; and in the course of that and the following reign he was often employed in embassies and in other important affairs of state along with the most distinguished men in the kingdom. His political employments and honours, however, do not appear to have withdrawn him from commerce. His son Michael also began life as a merchant. This was he whom Richard II. created Earl of Suffolk, and made his lord chancellor, but who was soon afterwards driven from office, and deprived of property, rank, and everything except his life, which he saved by taking flight to France, in the sweeping reform of the court by the king's uncle, the Duke of Gloucester, and his "wonderful parliament." Michael's son of the same name, however, was recalled, and restored to his father's dignities a year or two before the deposition of Richard : it was his son, also named Michael, who fell in 1415 at the battle of Azincourt. The uncle, again, and heir of this last, William de la Pole, was the celebrated Earl of Suffolk who commanded at the siege of Orléans in 1429, when that place was relieved by Joan of Arc, and who afterwards becomes more conspicuous in the annals of the disastrous reign of the sixth Henry, as the favourite of the queen, Margaret of Anjou, through whose influence he was first created Marquis and afterwards Duke of Suffolk, and made lord chancellor, lord high admiral, and prime minister, or rather dictator of the kingdom—honours, however, which only conducted him after a few years to a bloody death. But this catastrophe did not put an end to the still buoyant fortunes of the family. Soon after the accession of Edward IV., John de la Pole, the son of the late duke, was restored by the Yorkist king to the same place in the first rank of the peerage to which his father had been raised by the House of Lancaster ; and this second Duke of Suffolk eventually married the Princess Elizabeth, the

sister of King Edward. Their eldest son John, who had been in 1467 created Earl of Lincoln, was declared by Richard III. his presumptive heir, on the death of his son Edward Prince of Wales in 1484; and a marriage was also arranged at the same time between their daughter Ann and James Duke of Rothsay, afterwards James IV. of Scotland. But the family had now reached the summit of its greatness. In the change of circumstances that followed the overthrow of Richard, the Scottish marriage never took place; and the Earl of Lincoln died in 1487, a few years before his father, without having enjoyed either crown or dukedom. To the latter his younger brother Edmund succeeded, and was the last of the noble house of De la Pole. He was put to death by Henry VII., in 1513—his claim to the crown through his relationship to the House of York being, as is generally believed, the true cause of his destruction. It may be added, that letters as well as commerce were brought near to the crown by the De la Poles, if we may depend upon the common account; for the first Duke of Suffolk married Alice, daughter of Thomas Chaucer, Speaker of the House of Commons, who is believed to have been the son of the poet; and she became the mother of John, the second duke, who married the sister of Edward IV.

One of the greatest of the English merchants in the reign of Henry VI. was William Cannyngham, or Canyngs, of Bristol—a name made familiar to modern readers by the famous forgeries of Chatterton. Two letters of King Henry, addressed in 1449 to the Grand Master of Prussia and the magistrates of Dantzic, recommending to their good offices two factors resident within their jurisdictions of his “beloved and honourable merchant William Cannyngham,” are printed in the *Fœdera*. On Canyngs’s monument in the magnificent church of St. Mary Radcliff, in Bristol, of which he was the founder, it is stated, that on one occasion shipping belonging to him to the amount of 2470 tons was seized by Edward IV., in which were included some vessels of 400, of 500, and even of 900 tons. Canyngs was one of those merchants who took part in the Iceland trade after it was extended beyond

its original seat at Scarborough ; he was probably the first who brought it to Bristol. In 1450 we find permission granted to him by King Henry to employ two ships of whatever burden for two years in the trade to Iceland and Finmark, and to export in them any species of goods not restricted by law to the staple at Calais. This licence became necessary in consequence of the existing law which prohibited all English subjects from trading to Iceland without permission both of their own sovereign and of the King of Denmark.* Canyngs had previously obtained letters from the Danish king, authorising him to load certain vessels with lawful English merchandise for Iceland and Finmark, to take in return fish and other merchandise, and to make as many voyages as he should think proper during a limited term, in order to recover debts due to him in those countries. King Henry's licence is stated to have been granted in consideration of the good services granted to him by Canyngs while mayor of Bristol—an office to which the great merchant was elected by his fellow-citizens no fewer than five times.

Another of the opulent commercial men of this age, who is especially famous in story, is Richard Whytington, the history of whose cat, however, must be held to belong to the region of poetry and fable ; for, instead of being originally a poor scullion-boy, he was the son of Sir William Whytington, knight, as is stated in the ordinances of his college of St. Spirit and St. Mary, yet preserved in the custody of the Mercers' Company of London. Whytington was elected lord mayor of London in 1397 ; again in 1406 ; and a third time in 1419. During his second mayoralty we find him lending Henry IV. the sum of 100*l.* on the security of the subsidies on wool, hides, and woolfels, while one of the greatest princes of the church, the Bishop of Durham, advanced only 100 marks, and the most opulent of the lay nobility that contributed, no more than 500*l.*† The

* By the stat. 8 Hen. VI. c. 2.

† See the list of subscriptions in Rymer, viii. 488.

above-mentioned college was suppressed in the reign of Edward VI. ; but another foundation of Whytington's, his almshouse near Highgate, still remains a monument of the wealth and munificence of this "worthy and notable merchant, the which while he lived had right liberal and large hands to the needy and poor people," to make use of the terms in which he is described by his executors, in the body of rules established by them for the management of the latter charity. Among the subscribers along with Whytington to the loan to Henry IV., are two other London merchants, John Norbury and John Hende, whose opulence appears to have at this time exceeded his ; for they advanced the sum of 2000*l.* each. Hende was mayor in 1391 and 1404 ; and both he and Norbury were the founders of several churches, colleges, and other charitable institutions. Another eminent English merchant and mariner of those times was John Taverner of Hull, who, in a royal licence granted in 1449, is said to have, "by the help of God and some of the king's subjects," built a ship as large as a great carrack (that is, one of the first class of the Venetian traders), or even longer, which the king directed should be called the Carrack Grace Dieu—authorising Taverner at the same time to take on board his carrack wool, tin, lamb-skins, woolfels, passelarges, and other hides, raw or tanned, and any other merchandise, in the ports of London, Southampton, Hull, or Sandwich, and, on paying aliens' duty, to carry them direct to Italy, from which he might bring back bow-staves, wax, and other foreign produce necessary for the country, to the great benefit of the revenue and of the nation.* "The exemption of an English subject," observes Macpherson, "from the law of the staple, in consideration of the extraordinary size of his ship, is a clear proof that no such vessel had hitherto been built in England." Henry V., thirty or forty years before this time, had built some dromons, or large ships of war, at Southampton, such, according to the author of the 'Libel of English Policy,' as were

* Rymer, xi. 258.

never seen in the world before, to match those which his enemies the French had obtained from the Genoese and Castilians. Three of these ships of Henry V. were called the Trinity, the Grace de Dieu, and the Holy Ghost. Another contemporary writer mentions two ships belonging to the fleet with which this king made his second invasion of France—one called the King's Chamber, the other the King's Hall,—both of which were fitted up with extraordinary sumptuousness. That called the King's Chamber, in which Henry himself embarked, is said to have carried a sail of purple silk, with the arms of England and France embroidered on it.

To these instances of commercial opulence in England in the fifteenth century may be added another of a merchant of France of the same era, which is still more remarkable, both in itself, and especially if we take into account the then calamitous circumstances of that country. Mr. Macpherson has drawn up from various sources the following account of Jacques Cœur, “who, at a time when trade was scarcely known in France, is said to have employed 300 factors to manage his vast commerce, which extended to the Turks and Persians of the East, and the Saracens of Africa; the most remote nations then known to the merchants of Europe. His exports consisted chiefly of woollen cloths, linens, and paper—then the principal manufactures of France; and his returns were silks, spiceries, &c. But some say that his dealings were chiefly in gold, silver, and arms. This illustrious merchant was treasurer (*argentier*) to the King of France, and lent him 200,000 crowns; without which he could not have undertaken the reduction of Normandy. Being sent on an embassy to Lausanne, his enemies took the opportunity of his absence to bring false charges against him; and the king, regardless of his multiplied services and zealous attachment, abandoned him to their malice. Though nothing could be proved against him, in a trial conducted by his enemies with acknowledged unfairness, he was condemned, the 19th of May, 1453, to the *amende honorable*, to confiscation of all his property, and imprisonment. Having escaped from confinement by

the grateful assistance of one of his clerks, he recovered some part of his property which was in foreign countries ; and, being appointed by the pope to command a division of his fleet, he died in that service at Chio in the year 1456."*

In this age, both in our own and in other countries, commerce was not only carried on by kings and nobles as well as by the regular merchant, but among the most active traders were some of the higher clergy. In England, indeed, it had long been customary for the greatest dignitaries in the church to engage in mercantile pursuits. Matthew Paris tells us that William of Trumpington, abbot of St. Albans, in the reign of Henry III., traded extensively in herrings, for the purchasing of which at the proper season he had agents at Yarmouth, where he had bought a large house for fifty marks, in which he stored the fish till they were sold, "to the inestimable advantage," says the historian, "as well as honour of his abbey." Frequent mention is made in those early times of trading-vessels which were the property of bishops and other ecclesiastics of rank. Nor did these eminent persons sometimes disdain to take advantage of very irregular and questionable ways of pursuing their extra-professional gains. One transaction in which two bishops of Iceland figure the Historian of Commerce does not hesitate to designate as a scheme of smuggling. They were in the habit, it seems, of requesting and obtaining licences from Henry VI. for sending English vessels to Iceland on various pretences, which have all the look of being collusive arrangements between them and the owners of the vessels for carrying on an illicit trade.† Iceland, it may be observed, in passing, is stated, at this time, to have possessed neither cloth, wine, ale, corn, nor salt ; almost its only produce seems to have been fish. Licences were often obtained from the English kings by popes, cardinals, and other foreign ecclesiastics, to export wool and other goods without payment of the usual

* Macpherson, *Annals of Commerce*, i. 670.

† *Ibid.*, i. 657 and 662.

duties. The religious persons of all kinds resident in the country were not considered subject to the payment of custom-duties, any more than of almost any other public burdens; and, taking advantage of this privilege, the Cistercian monks had become the greatest wool-merchants in the kingdom, until, in 1344, the parliament interfered, and prohibited them for the future from practising any kind of commerce. The evil, however, of ecclesiastical communities and individuals engaging in trade long continued, in England and elsewhere, to defy the edicts both of the temporal and the spiritual authorities.

Commercial legislation in England in the reign of Henry VI. was still as short-sighted and barbarous as ever, especially on the great subject of national jealousy—the treatment of foreigners. In 1429 a law was passed that no Englishman for the future should sell goods to any foreign merchant except for ready money, or for other goods delivered on the instant.* The penalty for the violation of this enactment was to be the forfeiture of the merchandise. The very next year, however, we find the parliament complaining, that, because of this ordinance, “the English merchants have not sold, nor cannot sell nor utter, their cloths to merchants aliens, whereby the king hath lost his subsidies and customs, which he ought to have had if the said cloths had been sold as they were, and were wont heretofore, and English merchants, clothworkers, and other the king’s liege people, in divers parts of his realm, greatly annoyed and endamaged;” whereupon, at the solicitation of the commons, the late law is so far relaxed as to permit sales at six months’ credit.† Some years after this, the wisdom of the legislature displayed itself in another attempt of a still stranger kind. In 1439 it was ordained that no foreign merchant should sell any goods to another foreigner in England, on pain of the forfeiture of the goods so sold; the reason assigned for this law being, that “great damages and losses daily come to the king and to his people by the buying and selling that the merchants,

* Stat. 8 Hen. VI. c. 24.

† Stat. 9 Hen. VI. c. 2.

aliens and strangers, do make at their proper will and liberty, as by such buying and selling, which they use together, of all manner of merchandises, any of them with other, and also by covins and compassings that they do, to impair and abate the price and value of all manner of merchandises of this noble realm, and increase and enhance the price of all their own merchandises, whereby the said merchants aliens be greatly enriched, and the king's subjects, merchants denizens of the same realm, grievously impoverished, and great treasure by the same aliens brought out of this realm, the customs and subsidies by them due to the king greatly diminished, and the navy of the said realm greatly destroyed and hindered."** Happy, says the Roman poet, is the man who is able to tell the causes of things! It is very difficult, however, to understand this parliamentary logic, or to see how either the consequences alleged, or any others of a pernicious sort, could flow from London or any other town in England being made, what Bruges, and Calais, and other continental emporia were, a place to which foreigners of all nations brought the produce of their respective countries for exchange with one another, as well as for the supply of the resident inhabitants. The only effect of prohibiting the former of these two kinds of traffic would be to prevent the foreign merchants from bringing with them so large a quantity of goods as they would otherwise have done.

The calamitous circumstances of the last eight or ten years of the nominal reign of Henry VI.—during the greater part of which period the kingdom was almost without a government, and the land a great battle-field—could not fail to be keenly felt by the tender plant of our rising foreign commerce. Although its growth was checked, however, by the storms with which it had now to contend, it was already too strong to receive more than a temporary injury; and it began to recover its former activity and prosperity as soon as some degree of tranquillity was restored. The reign of Edward IV. is

* Stat. 18 Hen. VI. c. 4.

marked by many commercial treaties with foreign powers, which are to be considered as evidences, not so much of any peculiar attachment to the interests of trade in that prince—although, as we have seen, it was a pursuit which he did not disdain to follow on his own account—as of the importance which it had now acquired in the public estimation, and the manner in which it was consequently enabled to compel attention to its claims. Such treaties were made in 1465 with Denmark; in 1466 with Britany; the same year with Castile; in 1467 with the Netherlands; in 1468 with Britany again; in 1475 with the Hanse Towns; in 1478 with the Netherlands again; in 1482 with the Guipuscoans in Spain, &c. The only one of these conventions that requires particular notice is that with the Hanse Towns, which was concluded at Utrecht, after a great deal of negotiation, by commissioners appointed on both sides. At this time the great trading community of the Hanse comprised nearly seventy cities and towns of Germany, which were divided into the districts, or regions, as they were called, of Lubeck, Cologne, Brunswick, and Dantzic—the city of Lubeck standing at the head of the whole confederacy. Of the factories of the Hanse merchants in foreign countries, four were accounted of chief dignity—namely, those of Novogorod, in Russia; London, in England; Bruges, in Flanders; and Bergen, in Norway. It is probable that, of these, London was the most ancient, as well as the most important.* The Hanse merchants resident in and trading to London had early received important privileges from the English kings, which, however, had commonly been granted only for short terms, and had of late especially been held upon a still more precarious tenure than usual, and even subjected occasionally to curtailment or total suspension. The object of the present treaty was to remedy this state of things, which was found to be fraught with inconvenience to all parties, and to establish the Hanse factories in *England* upon a foundation of permanent security. It

* Macpherson, Ann. of Com. i. 694.

was agreed that all past injuries or complaints on both sides should be buried in oblivion, and that a full settlement of conflicting claims should be effected by a payment to the Hanse merchants of 10,000*l.* sterling, which they consented to receive in the shape of customs remitted upon their subsequent imports and exports. It was also arranged that the king should appoint two or more judges, who, without any legal formalities, should do justice between the parties in all civil or criminal causes in which the Hanse merchants might be concerned in England ; a similar provision being made for the settlement of disputes involving the English residents in the Hanse countries. It is in this treaty, we believe, that the first mention is made of the London Staelhof, or Steelyard, which is described as a court-yard extending to the Teutonic Guildhall. It was not, therefore, as has been generally assumed, the same with the Teutonic Guildhall, although both buildings seem to have eventually come into the possession of the Hanse merchants, if the latter did not originally belong to that confederacy. The Steelyard, by the present treaty, was conveyed to the Hansards by the king in absolute property, as were also a court-yard called by the same name in the town of Boston, and another house in Lynne, they becoming bound to bear all the burdens for pious purposes to which these several buildings were liable by ancient foundation or the bequests of the faithful, and having full power to pull down and rebuild, as they might find convenient. The London Steelyard, or Steel-house, as it was sometimes called, stood between Thames-street and the river, where there is a street still known by the name of Steel-yard-street, a little to the east of Dowgate Wharf. The name seems to have no connexion with steel, but to mean the place where cloths, and perhaps also other goods, were sealed or stamped.

Besides the gain which he made by his own commercial undertakings, Edward IV. obtained large pecuniary supplies at various times in the form of loans from the merchants and mercantile communities both of *his own kingdom* and of other countries. The amount

belonging to Lynne, carrying cloth to the value of 362*l.* 5*s.* 11*d.*, besides wine and other goods; and of a crayer* belonging to Lynne, laden with osmunds and other goods to the value of 64*l.* 14*s.* 2*d.* Towards the close of the reign of Edward IV., it appears, from the orders issued for the manning of the fleet on the breaking out of the war with Scotland in 1481, the crown was possessed of no fewer than six ships of its own; which was probably the greatest royal navy that had existed in England since the reign of William the Conqueror.

The foreign trade of the country, as one of its most important interests, occupied much of the attention of the parliament called together by Richard III., in the first year of his reign. Of the fifteen acts passed by it, seven relate to commerce and manufactures. The subject of the first was chiefly the fabrication and dyeing of woollen cloths; and the preamble states that it had been customary for the foreign merchants in their purchases of wool, to procure it sorted and picked, and to leave the locks and other refuse—by reason of which, it is added, there had come to be no manufacture of fine drapery in England. To remedy this evil, it was provided that, for the future, no wool should be sold to strangers cleaned from the locks or refuse, or in any other state than as it was shorn†—an enactment conceived in the spirit of the very infancy and rudest barbarism of commercial legislation. The next chapter of the statute, entitled ‘An Act touching the Merchants of Italy,’ is very interesting for the information which it incidentally furnishes respecting the trade then carried on in this country by foreign merchants. The preamble represents, that mer-

* Crayer, Crare, or Cray, a small sea-vessel, from the Old French, *Craier*.

“ O Melancholy !”

says Belarius, in ‘Cymbeline,’—

“ Whoever yet could sound thy bottom ? find
The ooze to show what coast thy sluggish crare |
Might easiest harbour in !”

† I Richard III. c. 8.

chant strangers of the nation of Italy—under which name are included not only the Venetians, Genoese, Florentines, Apulians, Sicilians, and Lucaners, or people of Lucca, but also the Catalonians “and other of the same nation,” according to the fashion of speaking in that age, which was to consider all the countries bordering on the Mediterranean as belonging to Italy,—were resident in great numbers both in London and in other cities of England, and were in the habit of taking warehouses and cellars in which to store the wares and merchandises they imported, “and them in their said warehouses and cellars deceptively pack, meddle (mix), and keep unto the time the prices thereof been greatly enhanced, for their most lucre, and the same wares and merchandises then sell to all manner of people, as well within the ports whereunto they bring their said wares and merchandise, as in other divers and many places generally within this realm, as well by retail as otherwise.” An extensive and active internal trade, therefore, was carried on by these foreign residents: it is probable, indeed, that, besides their business as importers and exporters, the greater part of the domestic sale of commodities brought from beyond seas was in their hands. This is the second condition in the natural commercial progress of a country; first, its poverty and barbarism invite only the occasional resort of foreigners, without offering any temptation to them to take up their residence within it; then, as its wealth increases, foreigners find even its home trade an object worth their attention, and one which they easily secure by the application of their superior skill and resources; lastly, in the height of its civilization, and when the energies of its inhabitants have been fully developed—in a great measure by the impulse received from these stranger residents—its traffic of all kinds, as well as all the other business carried on in it, naturally falls into the almost exclusive possession of its own people. England, then, at the end of the fifteenth century, was only yet making its way through the intermediate or transition stage in this advance from having no commerce at all to having a com-

merce properly its own. The act goes on to recite, that the foreign merchants not only traded in the manner that has been described in the goods imported by themselves from abroad, but also bought, in the ports where they were established and elsewhere, at their free will, the various commodities which were the produce of this realm, and sold them again at their pleasure within the country, as generally and freely as any of the king's subjects. "And the same merchants of Italy and other merchants strangers," it is added, "be hosts, and take unto them people of other nations to sojourn with them, and daily buy and sell, and make many privy and secret contracts and bargains with the same people." They are farther specially charged with buying up in divers places within the realm great quantities of wool, woollen cloth, and other merchandises, part of which they sold again both to natives and aliens, as they found it most for their profit, delivering a great part of the wool to clothiers, to make into cloth "after their pleasures." "Moreover, most dread sovereign lord," continues the recital, "artificers and other strangers, not born within your obedience, daily resort and repair unto your said city of London, and other cities, boroughs, and towns of your said realm, in great number, and more than they have used to do in days past, and inhabit themselves within your said realm, with their wives, children, and household, and will not take upon them any laborious occupation, as carting and ploughing, and other like business, but use making of cloth and other handicrafts and easy occupations, and bring and convey from the parts of beyond the sea great substance of wares and merchandises unto fairs and markets, and all other places of your realm, at their pleasure, and there sell the same as well by retail as otherwise, as freely as any of your said subjects useth for to do, to the great hurt and impoverishing of your said subjects, and in nowise will suffer nor take any of your subjects to work with them, *but only* take into their service people born in their own countries, whereby your said subjects for lack of occupation fall to idleness, and been thieves, beggars,

vagabonds, and people of vicious living, to the great trouble of your highness and of all your said realm." We need not transcribe the enacting part of the statute; its historical interest, and its value for our present purpose, lie in the above preamble, which furnishes so full and clear an account of the manner in which the commerce of the country was at this time conducted. The evils, or supposed evils, so strongly complained of, were of course attempted to be remedied by all sorts of restrictions on the operations of the foreign dealers—restrictions which were one and all absurd and of mischievous tendency, as well as, fortunately, in their very nature of impracticable enforcement. Their almost avowed object was to check the importation of foreign commodities of all kinds. While shackles, however, are imposed upon the trade in all other commodities, it is interesting to find an exception made in favour of the new-born trade in books, the creation of the great art recently invented of growing them as it were in crops, even as the manifold produce of the corn-fields is raised from the scattered seed. "Provided always," the statute concludes, "that this act, or any part thereof, or any other act made or to be made in this present parliament, in no wise extend or be prejudicial, any let, hurt, or impediment to any artificer or merchant stranger, of what nation or country he be, or shall be of, for bringing into this realm, or selling by retail or otherwise, of any manner books written or imprinted, or for the inhabiting within the said realm for the same intent, or to any writer, limner, binder, or imprinter of such books as he hath, or shall have, to sell by way of merchandise, or for their abode in the same realm, for the exercising of the said occupations, this act or any part thereof notwithstanding."*

Two other acts of this parliament continue for ten years longer prohibitions passed in the preceding reign against the importation of a great number of foreign manufactured articles. Intervening between these non-importa-

tion acts is another of a directly opposite character, ordaining that, for the future, along with every butt of either Malvesy (Malmesey) or Tyre wine brought to the country by the Venetians or others should be imported ten good and able bowstaves. Formerly, it is alleged, bowstaves used to be sold at 40*s.* the hundred, or 46*s. 8d.* at most; but now, by the seditious confederacy of the Lombards trading to this country, they had risen to the "outrageous price" of 8*l.* the hundred.* This, it may be observed, was the second attempt that had been made to remedy the grievance in question. The way in which it was first attacked was more direct. In 1482 it was ordained that, whereas the bowyers in every part of the realm sold their bows "at such a great and excessive price, that the king's subjects properly disposed to shoot be not of power to buy to them bows;" therefore, from the feast of Easter next coming, no Bowman should take from any of the king's liege people for a long bow of yew more than 3*s. 4d.*† This was certainly carrying faith in the virtue of an act of parliament as far as it could well go.

Here, then, were two legislative modes of keeping down prices. The last of the acts of Richard's parliament which it remains for us to notice furnishes an example of a third. The evil against which this act is directed is the high price of Malmesey wine—a public calamity which is both pathetically and indignantly bewailed. Butts of wine called Malvesy, it is affirmed, were wont in great plenty to be brought into this realm to be sold "before the 27th and 28th years of the reign of Henry IV., late in deed and not of right king of England, and also in the same years;" at which time they held from 140 to 126 gallons a piece; "and then a man might buy and have of the merchant stranger, seller of the said Malveseys, by mean of the said plenty of them, for 50*s.*, or 53*s. 4d.* at the most, a butt of such wine, he taking for his payment thereof two parts in *woollen cloth wrought in this realm*, and the third part

* 1 Rich. III. c. 11.

† 22 Edw. IV. c. 4.

in ready money." But now, the act proceeds to complain, the dealers in these wines have, "by subtle and crafty means," so contrived it that the butts of Malmesey lately imported scarcely hold 108 gallons; "and besides," it is added, "they knowing, as it seemeth, what quantity of such wine may serve yearly to be sold within this realm, where they were wont to bring hither yearly great quantity and plenteously of such wine to be sold after the prices aforesaid, of their craftiness use to bring no more hither now in late days but only as will scantily serve this realm a year, wherethrough they have enhanced the price of the same wines to eight marks (5l. 6s. 8d.) a butt, *ready money, and no cloth*, to the great enriching of themself, and great deceit, loss, hurt, and damage of all the commons of this realm." The plan adopted for reformation of this inconvenience was simply to ordain that the butt of Malmesey should be again of the old measure. It seems to have been thought that the old measure was the cause of the old price, and that, the one being restored, the other would follow of course.

Little, it is plain, can be said in commendation of the enlightened wisdom of any part of this system of commercial policy. The various facts and statements that have been quoted, however, all go to attest the actual commercial advancement of the country in despite of vicious legislation. The subject of trade is seen filling a constantly enlarging space in the public eye; and even the misdirected efforts of the law show how strongly and generally men's minds were now set upon the cultivation of that great field of national industry.

In Scotland also, as well as in England, the manufactures and commerce of the country appear, on the whole, to have made considerable advances in the course of the fifteenth century. It is recorded that the English vice-admiral, Sir Robert Umfraville, in an expedition upon which he sailed to the Frith of Forth in 1410, besides plundering the country on both coasts of that arm of the sea, *carried off as prizes* fourteen "good ships" laden with *woollen and linen cloth, pitch, tar, woad, meal, wheal*

and rye, in addition to many which he burned.* This shows that even in the earlier part of the present period Scotland was by no means destitute of trade and shipping. Some of the vessels taken by Umfraville, however, might belong to foreigners; the Lombards, in particular, according to Fordun, already carried on a considerable Scottish trade, and some of the ships in which they resorted to the country were of large burden. The usual staple of the Scottish continental commerce was at Bruges, in Flanders. James I., in 1425, removed it to Middleburgh, in Zealand; but, on an embassy arriving the same year from the Flemings, with concessions on some points as to which the Scottish merchants had felt aggrieved, he agreed to restore the former arrangement. In 'The Libel of English Policy,' however, written nearly twenty years after this, we are informed that the exports of Scotland then consisted only of wool, woolfels, and hides. The Scottish wool, it is added, used to be mixed with the English, and manufactured into cloth, at the towns of Popering and Bell, in Flanders. It seems to have been exported to Flanders in Scottish vessels, which returned home with cargoes of mercery, haberdashery, and other manufactured goods of various kinds, among which are specified cart-wheels and barrows. But the most ample information respecting the commerce and manufactures of Scotland during this period is supplied, as in England, by the statute-book. A long succession of enactments relating to this subject commences from the return of James I., in 1424; from which date, it is worthy of remark, the Scottish laws, which had been hitherto in Latin, are written, with a very few exceptions, in the language of the country—an improvement which was not adopted in England till more than sixty years afterwards. We can here, however, only notice, in their chronological order, a few of the more remarkable particulars to be collected from this source. In 1425 it was, among other things, ordained that the merchants returning from foreign countries *should always* bring back, as part of their returns,

* Stow.

harness (or defensive armour), spears, shafts, bows, and staves. The same parliament also passed a law for establishing a uniformity of weights and measures. From a law of 1428, permitting merchants, for a year ensuing, to ship their goods in foreign vessels where Scottish ones were not to be found, it would appear that a Scottish navigation act existed before this time, although no record of it has been preserved. In 1430, a law was passed to which the epithet of anti-commercial may be applied, ordaining, that cloths made of silk, or adorned with the finer furs, should not be worn by any person under the rank of a knight, or whose annual income was less than 200 marks. This proves, however, that these expensive kinds of dress were then well known in the country, and were even in use among those who did not belong to the wealthiest classes. This same year King James imported from London for his own use the following articles —which it may therefore be presumed he could not procure at home so readily or of so good a quality:—20 tuns of wine; 12 bows; 4 dozen yards of cloth of different colours; 12 yards of scarlet; 20 yards of red worsted; 8 dozen pewter vessels; 1200 wooden bowls, packed in four barrels; 3 dozen coverels, a basin, and font; 2 summer saddles, 1 hackney saddle, a woman's saddle with furniture; 2 portmanteaus; 4 yards of motley; 5 yards of morrey; 5 yards of black cloth of lyre; 12 yards of kersey; and 12 skins of red leather. These goods were shipped for Scotland in a vessel belonging to London, accompanied by an order of King Henry, securing them from molestation by English cruisers.* In 1485 we find James purchasing 30 foddars of lead from the Bishop of Durham; for the export of which, either by land or water, on payment of the usual customs, an order was granted by the English council. A law of the Scottish parliament in 1424 had declared all mines to belong to the crown that yielded three halfpennies of silver in the pound of lead; and Mr. Macpherson thinks that the import of lead from England probably became necessary;

* Rymer, x. 470.

consequence of the check which this enactment put upon the operations of mining. A scarcity of the precious metals also seems to have been about this time felt, if we may judge by a law of the year 1436, which enacted that the exporters of native produce should give security to bring home, and deliver to the master of the mint, a certain quantity of bullion for every sack of wool, last of hides, or measure of other goods which they carried abroad.

One of the most eminent of the Scottish merchants of this age was William Elphinstone, who is regarded as the founder of the commerce of Glasgow, as his son Bishop Elphinstone, towards the close of the century, was of the University of Aberdeen. Elphinstone's trade is supposed to have consisted in exporting pickled salmon. Two Scottish merchants, George Faulau and John Dalrymple, repeatedly appear soon after this as employed by James II., in embassies and other public business, along with noblemen and clergymen. A law was passed in 1458, prohibiting any person from going abroad as a merchant, unless, besides being a person of good credit, he either possessed or had consigned to him property to the amount of three serplaiths—the serplaith being, according to the common account, eighty stones of wool. Merchants were at the same time forbidden to wear silk, scarlet, or fur of martens, unless they were aldermen, bailies, or in some other capacity members of a town council. The social estimation in which commercial men were at this time held in Scotland may in some degree be gathered from another clause of the act, which commands that poor gentlemen living in the country, having estates of more than 40*l.* a-year of old extent, should dress as merchants. The dress of the wives of merchants, as well as their own, was regulated by this statute: they are directed to take especial care to make their wives and daughters be habited in a manner correspondent to their estate; that is to say, on their heads short curches, with little hoods, such as are used in Flanders, England, and other countries; and gowns without tails of unbefitting length, or trimmed with furs, except on holidays. Further, as if it had been

intended to discriminate the several ranks of the community by so many different colours, like the enchanted fish in the Eastern tale, while merchants were prohibited from wearing scarlet, all hues except grey or white were interdicted to labourers on working days, and on holidays all except red, green, or light blue. So much may serve for sample sufficient of this fantastic piece of legislation. Meanwhile, the growth of the trade of the country is indicated by occasional notices of commercial treaties with foreign governments,—with England, with Denmark, with Flanders, and other continental states. In 1467 various new restrictions were imposed, with what view it is not easy to imagine, upon the pursuit of foreign commerce. It was ordained that no persons should go abroad as merchants except free burgesses, resident within burgh, or their factors and servants; and that even no burgess should have that liberty unless he was “a famous and worshipful man,” having at the least half a last of goods in property or trust. Handicraftsmen or artisans, in particular, were debarred from engaging in trade unless they obtained special licences, and renounced their crafts without colour or dissimulation. These prohibitions look very much as if they had been obtained by the influence of the mercantile body, wishing to preserve the monopoly of the foreign trade in their own hands. By another regulation all vessels were prohibited from sailing to any foreign country between the end of October and the beginning of February. Rochelle, Bordeaux, and the ports of France and Norway, are all mentioned in this act as places to which the Scottish merchants were then accustomed to resort. The regulation requiring every merchant to be a burgess made an exception in favour of the nobility and clergy, who were permitted to export their own goods, and import what they had occasion for, by the agency of their servants. In Scotland as well as in England many, both of the nobility and the bishops, had long been accustomed openly to pursue trade as a source of gain. In the beginning of this century, for instance, mention is made of a vessel carrying two supercargoes and a crew of twenty men, which was freighted by the

Earl of Douglas to trade with Normandy and Rochelle, and of another navigated by a master and twenty-four sailors, and laden with six hundred quarters of malt, of which the Duke of Albany was proprietor.* In 1404 a richly-laden vessel, belonging to Wardlaw, Bishop of St. Andrew's, was taken by the English. In 1473 another, called the Salvator, the property of his successor, Bishop Kennedy, being the finest vessel that had ever been built in Scotland, was wrecked at Bamborough, when the cargo was plundered, and the crew made prisoners by the people of the country,—an outrage for which redress was soon after demanded by the Scottish parliament, and which it was finally agreed should be compensated by the King of England paying the merchants to whom the goods belonged a composition of five hundred marks.

Very few notices respecting the trade of Ireland occur during this period. The exports from that country, according to the author of the ‘Libel of English Policy,’ were hides, wool, salmon, hake (a kind of fish), herrings, linen, falding (a kind of coarse cloth), and the skins of martens, harts, otters, squirrels, hares, rabbits, sheep, lambs, foxes, and kids. Some gold ore had also lately been brought thence to London. The abundant fertility and excellent harbours of Ireland are celebrated by this writer.

In connexion with the subject of trade and commerce it may be mentioned, that to the close of this period we owe the first establishment in England of public posts for the conveyance of intelligence. The plan was first carried into effect in France by Louis XI., about the year 1476, and was introduced in England by the Duke of Gloucester (afterwards Richard III.), while conducting the Scottish war in 1481. By means of post-horses changed at every twenty miles, letters, we are told, were forwarded at the rate of a hundred miles a day. Both in France and in England, however, the post in this, its earliest form, was exclusively for the use of the government.

The English coins of this period were, with one excep-

* See Tytler, Hist. of Scotland, iii. 238.

tion, to be presently noticed, gold and silver pieces of the same denominations that have been already described. Although, however, the names, and also the relative values, of the coins continued unchanged, their positive values, or the actual quantities of metal of which they were formed, underwent a succession of diminutions. It has been stated that, whereas, originally, 240 pennies were coined out of the Tower pound of silver, weighing 5400 grains troy, Edward III. coined out of the same quantity of silver 270 pennies; thus reducing the quantity of silver in each penny from $22\frac{1}{2}$ to 20 grains. The effect of this would be to depreciate the penny by the amount of about one-third of a farthing, and the nominal pound (which was still held to contain 20 shillings, or 240 pence) by about 6s. 6d. in our present money; thus reducing it from about 56s. 3d. to somewhat less than 50s. The groats, or fourpenny pieces, afterwards issued by Edward III., carried the depreciation still farther than this; each of these coins weighing only 72 grains instead of 90, which they ought to have done according to the original scale, or 80, which even the lately reduced rate would have demanded. A shilling paid in these groats was worth only about 2s. 3d. of our present money, instead of about 2s. 9 $\frac{1}{2}$ d., its original value; and a pound paid in the same coin was only about 46 of our present shillings.

Such, then, were the values of the several silver coins at the accession of Henry IV. That king, in 1412, depreciated the currency still more by coining the Tower pound into 30 shillings by tale—that is to say, into 360 pennies; the effect of which was to reduce the amount of silver in each penny to 15 grains, and the value of the penny to not quite 2d., of the shilling to about 1s. 10 $\frac{1}{2}$ d., and of the pound to 1l. 17s. 9d. of our present money. The strange reason assigned for this alteration was “the great scarcity of money in the realm,”—as if money, or anything else of intrinsic value, could be made more plentiful by the easy process of cutting each piece into two. The ordinance, which stands on the rolls of parliament, however, betrays a consciousness that the ingenious expedient was not likely to succeed. The new mode of coin-

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age was directed to be tried only for two years ; and if, at the end of that time, it should be found against the profit of the king and his realm, then to cease. It must, in fact, even then have been plain to all the world that the measure, the evil effects of which had already been repeatedly experienced, was nothing else than a robbery of the public for the benefit of the royal exchequer. Even to the crown, indeed, the benefit was only temporary ; but this deeper truth may not have been so clearly perceived. In the first instance, of course, and for the moment, the base coinage was profitable to the utterer. The different pieces coined by Henry IV. were halfpennies, pennies, and groats of silver, and nobles, half nobles, and quarter nobles of gold. In the last year of his reign he reduced the quantity of gold in the noble from its original amount of 120 grains to 108 grains ; in other words, he diminished its intrinsic value by one-tenth. Henry's gold coins exactly resemble those of his predecessor, the only difference being the substitution of the name HENRICUS for RICHARDUS. His silver coins are also principally distinguished by the name.

The values of the several denominations of English money continued without further reduction during the two next reigns. The silver coins of Henry V. are supposed to be distinguished from those of his father by two little circles on each side of the head, which are thought to have been intended for eylet-holes,—“ from an odd stratagem,” says Leake, “ when he was prince, whereby he recovered his father's favour, being then dressed in a suit full of eylet-holes : from that time may likewise be dated his extraordinary change of manners, which proved so much to the honour of himself and the kingdom, and therefore not an improper distinction of the money of this prince from the others of the same name.”* The story in question, which is told at great length by Holinshed, Speed, Stow, and other chroniclers of that age, is, briefly, that, when the worst suspicions of the conduct of his son *had been infused* into the mind of Henry IV., the prince

* *Leake's Historical Account of English Money*, p. 139.

regained his father's favour by appearing before him, and offering the king his dagger, that he might, if he pleased, take his life on the spot. On this occasion, it seems, "he was appareled in a gown of blue satin, full of small eylet-holes, at every hole the needle hanging by a silk thread with which it was sewed : about his arm he ware a hound's collar set full of S S of gold, and the tirets likewise being of the same metal."* But what particular part in the stratagem this fantastic dress was intended to play does not appear. The story looks at the best as if we had got only the half of it ; but it is probably altogether an invention of a later age, and, instead of having been the origin of the eylet-holes on the coin, it is most likely itself the offspring of that device. Henry V. also struck various French coins, among which were muttons (so called from bearing the impression of a lamb, or *Agnus Dei*) of gold, and groats, half groats, quarter groats, mançois, and petit deniers, of silver. After the treaty of Troyes he coined others called saluts, demi-saluts, blancs, &c., in the legend of which he took the title of *Haeres Franciæ*, or Heir of France.

The English coins of Henry VI. are supposed to be distinguished from his father's by the arched crown called the imperial, surmounted with the orb and cross. He also issued, as King of France, saluts, angelots, franks, and nobles of gold, and groats, blanks, deniers, &c., of silver.

The English money was again depreciated by Edward IV., who, in 1464, ordered the Tower pound of silver to be coined into 37*s.* 6*d.* by tale, that is, into 450 pennies. The penny now, therefore, contained only 12 grains of silver, and its value was little more than 1½*d.* of our present money ; that of the shilling was about 1*s.* 6*d.* ; and that of the nominal pound about 30*s.* Edward IV., in 1466, also struck two new gold coins, called angels and angelots, from the figure of an angel on the reverse. These were intended as substitutes for the noble and the half noble, and were, like them, ordered to pass respect-

* Holinshed.

ively for 6s. 8d. and 3s. 4d. ; but they were considerably inferior in intrinsic value even to the nobles that had been struck since the last year of the reign of Henry IV. ; for, instead of 108 grains, the angel contained only 80 grains. It was, therefore, really worth little more than three-fourths of the late noble, or exactly two-thirds of the original coin of that name. Henry VI. also, during his short restoration to power in 1470, coined angels of gold, and groats and half groats of silver, all after the depreciated standards that had been established by Edward IV. It is not probable that Edward V. coined any money. The gold coins of Richard III. were angels and half angels, of the same weight as his brother's, and bearing Richard's cognizance of a boar's head ; his silver money is distinguished from that of Richard II. by being a third lighter.

The depreciation of the coin in Scotland during the present period proceeded much more rapidly, and was carried to a much greater extent, than in England. When James I. returned home, in 1424, he found the real value of the Scottish money very considerably less than that of the English of the same denominations ; on which he immediately got an act of parliament passed for restoring the coin to the same weight and fineness with that of England ; but it proved of no effect,—the depreciation was carried farther and farther, till at length, at the close of the present period, the Scottish coins were scarcely more than one-fourth of the weight of the English. The pound of silver, which had been originally coined, as in England, into 20 shillings, was coined in 1424 into 37s. 6d. ; in 1451 into 64s. ; in 1456 into 96s. ; and in 1475 into 144s. The value of the Scottish shilling at this last-mentioned date, therefore, was little more than 4½d. of our present money. We shall find, however, that it afterwards declined to a much lower point than this.

CHAPTER VI.

FROM THE ACCESSION OF HENRY VII. TO THE END OF THE
REIGN OF ELIZABETH. A.D. 1485—1603.

THE present period was an age of great revolutions and remarkable progress in the commerce and general industry, not only of this country, but of the world. But in England especially the sixteenth century is distinguished from the fifteenth almost as the day is from the night, in respect to the activity and advancement of the nation in every field of exertion and enterprise where those accumulated results are to be achieved that constitute civilization.

The encouragement of the trade of the kingdom, being an object in which he saw much profit to himself as well as to his subjects, engaged much of the attention of Henry VII. during his whole reign. It cannot, however, be said that this sagacious king was much beyond his age in some of the notions on which he proceeded in this matter. His general views may be considered to be explained in the speech which his minister, Cardinal Morton, addressed, as Lord Chancellor, to the parliament which met in November, 1487. After having expressed his majesty's anxious desire to restore peace and order to his kingdom by good and wholesome laws,—by which alone, he observed, sedition and rebellion were to be truly put down, and not by the blood shed in the field or by the marshal's sword,—the eloquent chancellor went on;—“And, because it is the king's desire that this peace, wherein he hopeth to govern and maintain you, do not bear only unto you leaves for you to sit under the shade of them in safety, but also should bear you fruit of riches, wealth, and plenty, therefore his

marked by many commercial treaties with foreign powers, which are to be considered as evidences, not so much of any peculiar attachment to the interests of trade in that prince—although, as we have seen, it was a pursuit which he did not disdain to follow on his own account—as of the importance which it had now acquired in the public estimation, and the manner in which it was consequently enabled to compel attention to its claims. Such treaties were made in 1465 with Denmark; in 1466 with Britany; the same year with Castile; in 1467 with the Netherlands; in 1468 with Britany again; in 1475 with the Hanse Towns; in 1478 with the Netherlands again; in 1482 with the Guipuscoans in Spain, &c. The only one of these conventions that requires particular notice is that with the Hanse Towns, which was concluded at Utrecht, after a great deal of negotiation, by commissioners appointed on both sides. At this time the great trading community of the Hanse comprised nearly seventy cities and towns of Germany, which were divided into the districts, or regions, as they were called, of Lubeck, Cologne, Brunswick, and Dantzic—the city of Lubeck standing at the head of the whole confederacy. Of the factories of the Hanse merchants in foreign countries, four were accounted of chief dignity—namely, those of Novgorod, in Russia; London, in England; Bruges, in Flanders; and Bergen, in Norway. It is probable that, of these, London was the most ancient, as well as the most important.* The Hanse merchants resident in and trading to London had early received important privileges from the English kings, which, however, had commonly been granted only for short terms, and had of late especially been held upon a still more precarious tenure than usual, and even subjected occasionally to curtailment or total suspension. The object of the present treaty was to remedy this state of things, which was found to be fraught with inconvenience to all parties, and to establish the Hanse factories in England upon a foundation of permanent security. It

* Macpherson, Ann. of Com. i. 694.

was agreed that all past injuries or complaints on both sides should be buried in oblivion, and that a full settlement of conflicting claims should be effected by a payment to the Hanse merchants of 10,000*l.* sterling, which they consented to receive in the shape of customs remitted upon their subsequent imports and exports. It was also arranged that the king should appoint two or more judges, who, without any legal formalities, should do justice between the parties in all civil or criminal causes in which the Hanse merchants might be concerned in England; a similar provision being made for the settlement of disputes involving the English residents in the Hanse countries. It is in this treaty, we believe, that the first mention is made of the London Staelhof, or Steelyard, which is described as a court-yard extending to the Teutonic Guildhall. It was not, therefore, as has been generally assumed, the same with the Teutonic Guildhall, although both buildings seem to have eventually come into the possession of the Hanse merchants, if the latter did not originally belong to that confederacy. The Steelyard, by the present treaty, was conveyed to the Hansards by the king in absolute property, as were also a court-yard called by the same name in the town of Boston, and another house in Lynne, they becoming bound to bear all the burdens for pious purposes to which these several buildings were liable by ancient foundation or the bequests of the faithful, and having full power to pull down and rebuild, as they might find convenient. The London Steelyard, or Steel-house, as it was sometimes called, stood between Thames-street and the river, where there is a street still known by the name of Steel-yard-street, a little to the east of Dowgate Wharf. The name seems to have no connexion with steel, but to mean the place where cloths, and perhaps also other goods, were sealed or stamped.

Besides the gain which he made by his own commercial undertakings, Edward IV. obtained large pecuniary supplies at various times in the form of loans from the merchants and mercantile communities both of his own kingdom and of other countries. The amount

of these advances evinces the opulence which was now not unfrequent among the followers of commerce. In the preceding reign, according to the statement in an act of parliament passed in 1449,* the annual revenue derived from the customs at the great staple of Calais, which in the reign of Edward III. had amounted to £68,000*l.*, had then fallen to £12,000*l.*; under which state of things the commons of the land, it is affirmed, were "not enriched by their wools and woolfels and other merchandise, as they were wont to be, the merchants greatly diminished as well in number as in goods, and not of power nor of comfort to buy the wools and woolfels and other merchandises, as they have done of old time, the soldiers of Calais and of the marches there now paid of their wages, and the town of Calais by default of reparation likely to be destroyed." Within a few years from this date, however, the merchants of Calais were wealthy enough to lend King Edward what was a large amount of money in those days. In 1464 he is stated, in the Rolls of Parliament, to have owed them £2,861*l.*, for payment of which they were assigned a yearly instalment out of the subsidies on wool. He continued, however, to borrow largely in subsequent years; so that in 1468 he was still owing them about £33,000*l.*, a debt which he increased the next year by £10,000*l.*, borrowed of them for payment of a part of his sister's portion to the Duke of Burgundy. On many other occasions he resorted for pecuniary assistance to the same quarter. Another quarter to which he repeatedly had recourse was that of the famous Medici, the princely merchants of Florence. Comines assures us that one of the agents of Cosmo de' Medici was chiefly instrumental in enabling him to mount the throne, by furnishing him at one time with a sum of not less than 120,000 crowns. Florence, we may remark, was now growing rich by the Oriental trade, which had nearly left Genoa, torn as the latter republic was by internal dissensions, as well as deprived of all its possessions in the East by the conquests of the Turks.

* 27 Hen. VI. c. 2.

Some documents, printed by Rymer, relating to an application made to King Edward by some Spanish merchants in 1470, for compensation on account of the loss of several vessels and cargoes which they alleged had been piratically taken from them by the people of Sandwich, Dartmouth, Plymouth, and Jersey, furnish some information respecting the ordinary size of the trading-vessels of those times, and the value both of the ships and their cargoes. The ships in question were laden with iron, wine, wool, raisins, liquorice, spicery, incense, oranges, marfac, and a small quantity of cheese—all the produce of the north of Spain. They were seven in number, of which one, called a carvel,* of 110 tons, valued at 150*l.*, and having wool, iron, &c. on board, to the amount of 2350*l.* more, was bound for Flanders: the cargoes of the others, whose destination was England, were all of much less value. They were, a carvel of 120 tons, valued at 180*l.*, with a cargo valued at 270*l.*; a ship of 120 tons, valued at 110*l.*, with a cargo valued at 190*l.*; a carvel of 110 tons, valued at 140*l.*, with a cargo valued at 240*l.*; a ship of 100 tons, valued at 107*l.* 10*s.*, with a cargo valued at 457*l.* 10*s.*; a ship of 70 tons, valued at 100*l.*, with a cargo valued at 250*l.*; and a carvel of 40 tons, valued at 70*l.*, with a cargo valued at 180*l.*† These statements may be compared with those in the documents contained in a preceding volume of the same collection relating to the dispute with the Hanse Towns, which was at length settled, as mentioned above, by the treaty of 1409. In the latter we find mention made of a Newcastle ship of 200 tons, valued at 400*l.*; of a cog belonging to Hull, which, with its cargo of cloth, was valued at 200*l.*; of another, laden with oil, wax, and werke (?), valued at 300*l.*; of a barge belonging to Falmouth, laden with salt and canvass of Britany, valued at 333*l.* 6*s.* 8*d.*; of another Yarmouth vessel, laden with salt, cloth, and salmon, valued at 40*l.*; of four vessels

* Carvel, or Caravel, from the Spanish *Caravela*, is explained by Johnson to be a kind of ship, with a square poop, formerly used in Spain.

† *Federa*, xi. 671, 672.

belonging to Lynne, carrying cloth to the value of 362*3l.* 5*s.* 11*d.*, besides wine and other goods ; and of a crayer* belonging to Lynne, laden with osmunds and other goods to the value of 64*3l.* 14*s.* 2*d.* Towards the close of the reign of Edward IV., it appears, from the orders issued for the manning of the fleet on the breaking out of the war with Scotland in 1481, the crown was possessed of no fewer than six ships of its own ; which was probably the greatest royal navy that had existed in England since the reign of William the Conqueror.

The foreign trade of the country, as one of its most important interests, occupied much of the attention of the parliament called together by Richard III., in the first year of his reign. Of the fifteen acts passed by it, seven relate to commerce and manufactures. The subject of the first was chiefly the fabrication and dyeing of woollen cloths ; and the preamble states that it had been customary for the foreign merchants in their purchases of wool, to procure it sorted and picked, and to leave the locks and other refuse—by reason of which, it is added, there had come to be no manufacture of fine drapery in England. To remedy this evil, it was provided that, for the future, no wool should be sold to strangers cleaned from the locks or refuse, or in any other state than as it was shorn†—an enactment conceived in the spirit of the very infancy and rudest barbarism of commercial legislation. The next chapter of the statute, entitled ‘An Act touching the Merchants of Italy,’ is very interesting for the information which it incidentally furnishes respecting the trade then carried on in this country by foreign merchants. The preamble represents, that mer-

* Crayer, Crare, or Cray, a small sea-vessel, from the Old French, *Craier*.

“ O Melancholy !”

says Belarius, in ‘Cymbeline,’—

“ Whoever yet could sound thy bottom ? find
The ooze to show what coast thy sluggish crare [
Might easiliest harbour in !”

† 1 Richard III. c. 8.

chant strangers of the nation of Italy—under which name are included not only the Venetians, Genoese, Florentines, Apulians, Sicilians, and Lucaners, or people of Lucca, but also the Catalonians “and other of the same nation,” according to the fashion of speaking in that age, which was to consider all the countries bordering on the Mediterranean as belonging to Italy,—were resident in great numbers both in London and in other cities of England, and were in the habit of taking warehouses and cellars in which to store the wares and merchandises they imported, “and them in their said warehouses and cellars deceivably pack, meddle (mix), and keep unto the time the prices thereof been greatly enhanced, for their most lucre, and the same wares and merchandises then sell to all manner of people, as well within the ports whereunto they bring their said wares and merchandise, as in other divers and many places generally within this realm, as well by retail as otherwise.” An extensive and active internal trade, therefore, was carried on by these foreign residents: it is probable, indeed, that, besides their business as importers and exporters, the greater part of the domestic sale of commodities brought from beyond seas was in their hands. This is the second condition in the natural commercial progress of a country; first, its poverty and barbarism invite only the occasional resort of foreigners, without offering any temptation to them to take up their residence within it; then, as its wealth increases, foreigners find even its home trade an object worth their attention, and one which they easily secure by the application of their superior skill and resources; lastly, in the height of its civilization, and when the energies of its inhabitants have been fully developed—in a great measure by the impulse received from these stranger residents—its traffic of all kinds, as well as all the other business carried on in it, naturally falls into the almost exclusive possession of its own people. England, then, at the end of the fifteenth century, was only yet making its way through the intermediate or transition stage in this advance from having no commerce at all to having a com-

merce properly its own. The act goes on to recite, that the foreign merchants not only traded in the manner that has been described in the goods imported by themselves from abroad, but also bought, in the ports where they were established and elsewhere, at their free will, the various commodities which were the produce of this realm, and sold them again at their pleasure within the country, as generally and freely as any of the king's subjects. "And the same merchants of Italy and other merchants strangers," it is added, "be hosts, and take unto them people of other nations to sojourn with them, and daily buy and sell, and make many privy and secret contracts and bargains with the same people." They are farther specially charged with buying up in divers places within the realm great quantities of wool, woollen cloth, and other merchandises, part of which they sold again both to natives and aliens, as they found it most for their profit, delivering a great part of the wool to clothiers, to make into cloth "after their pleasures." "Moreover, most dread sovereign lord," continues the recital, "artificers and other strangers, not born within your obeisance, daily resort and repair unto your said city of London, and other cities, boroughs, and towns of your said realm, in great number, and more than they have used to do in days past, and inhabit themself within your said realm, with their wives, children, and household, and will not take upon them any laborious occupation, as carting and ploughing, and other like business, but use making of cloth and other handicrafts and easy occupations, and bring and convey from the parts of beyond the sea great substance of wares and merchandises unto fairs and markets, and all other places of your realm, at their pleasure, and there sell the same as well by retail as otherwise, as freely as any of your said subjects useth for to do, to the great hurt and impoverishing of your said subjects, and in nowise will suffer nor take any of your subjects to work with them, but only take into their service people born in their own countries, whereby your said subjects for lack occupation fall to idleness, and been thieves, beggars,

vagabonds, and people of vicious living, to the great trouble of your highness and of all your said realm.” We need not transcribe the enacting part of the statute; its historical interest, and its value for our present purpose, lie in the above preamble, which furnishes so full and clear an account of the manner in which the commerce of the country was at this time conducted. The evils, or supposed evils, so strongly complained of, were of course attempted to be remedied by all sorts of restrictions on the operations of the foreign dealers—restrictions which were one and all absurd and of mischievous tendency, as well as, fortunately, in their very nature of impracticable enforcement. Their almost avowed object was to check the importation of foreign commodities of all kinds. While shackles, however, are imposed upon the trade in all other commodities, it is interesting to find an exception made in favour of the new-born trade in books, the creation of the great art recently invented of growing them as it were in crops, even as the manifold produce of the corn-fields is raised from the scattered seed. “Provided always,” the statute concludes, “that this act, or any part thereof, or any other act made or to be made in this present parliament, in no wise extend or be prejudicial, any let, hurt, or impediment to any artificer or merchant stranger, of what nation or country he be, or shall be of, for bringing into this realm, or selling by retail or otherwise, of any manner books written or imprinted, or for the inhabiting within the said realm for the same intent, or to any writer, limner, binder, or imprinter of such books as he hath, or shall have, to sell by way of merchandise, or for their abode in the same realm, for the exercising of the said occupations; this act or any part thereof notwithstanding.” *

Two other acts of this parliament continue for ten years longer prohibitions passed in the preceding reign against the importation of a great number of foreign manufactured articles. Intervening between these non-importa-

tion acts is another of a directly opposite character, ordaining that, for the future, along with every butt of either Malvesey (Malmesey) or Tyre wine brought into the country by the Venetians or others should be imported ten good and able bowstaves. Formerly, it is alleged, bowstaves used to be sold at 40s. the hundred, or 46s. 8d. at most; but now, by the seditious confederacy of the Lombards trading to this country, they had risen to the "outrageous price" of 8*l.* the hundred.* This, it may be observed, was the second attempt that had been made to remedy the grievance in question. The way in which it was first attacked was more direct. In 1482 it was ordained that, whereas the bowyers in every part of the realm sold their bows "at such a great and excessive price, that the king's subjects properly disposed to shoot be not of power to buy to them bows;" therefore, from the feast of Easter next coming, no Bowman should take from any of the king's liege people for a long bow of yew more than 3*s.* 4*d.*† This was certainly carrying faith in the virtue of an act of parliament as far as it could well go.

Here, then, were two legislative modes of keeping down prices. The last of the acts of Richard's parliament which it remains for us to notice furnishes an example of a third. The evil against which this act is directed is the high price of Malmesey wine—a public calamity which is both pathetically and indignantly bewailed. Butts of wine called Malvesy, it is affirmed, were wont in great plenty to be brought into this realm to be sold "before the 27th and 28th years of the reign of Henry IV., late in deed and not of right king of England, and also in the same years;" at which time they held from 140 to 126 gallons a piece; "and then a man might buy and have of the merchant stranger, seller of the said Malveseys, by mean of the said plenty of them, for 50*s.*, or 53*s.* 4*d.* at the most, a butt of such wine, he taking for his payment thereof two parts in bollen cloth wrought in this realm, and the third part

* 1 Rich. III. c. 11.

† 22 Edw. IV. c. 4.

in ready money." But now, the act proceeds to complain, the dealers in these wines have, "by subtle and crafty means," so contrived it that the butts of Malmesey lately imported scarcely hold 108 gallons; "and besides," it is added, "they knowing, as it seemeth, what quantity of such wine may serve yearly to be sold within this realm, where they were wont to bring hither yearly great quantity and plenteously of such wine to be sold after the prices aforesaid, of their craftiness use to bring no more hither now in late days but only as will scantily serve this realm a year, wherethrough they have enhanced the price of the same wines to eight marks (*5l. 6s. 8d.*) a butt, *ready money, and no cloth*, to the great enriching of themself, and great deceit, loss, hurt, and damage of all the commons of this realm." The plan adopted for reformation of this inconvenience was simply to ordain that the butt of Malmesey should be again of the old measure. It seems to have been thought that the old measure was the cause of the old price, and that, the one being restored, the other would follow of course.

Little, it is plain, can be said in commendation of the enlightened wisdom of any part of this system of commercial policy. The various facts and statements that have been quoted, however, all go to attest the actual commercial advancement of the country in despite of vicious legislation. The subject of trade is seen filling a constantly enlarging space in the public eye; and even the misdirected efforts of the law show how strongly and generally men's minds were now set upon the cultivation of that great field of national industry.

In Scotland also, as well as in England, the manufactures and commerce of the country appear, on the whole, to have made considerable advances in the course of the fifteenth century. It is recorded that the English vice-admiral, Sir Robert Umfraville, in an expedition upon which he sailed to the Frith of Forth in 1410, besides plundering the country on both coasts of that arm of the sea, carried off as prizes fourteen "good ships" laden with woollen and linen cloth, pitch, tar, woad, meal, wheat,

and rye, in addition to many which he burned.* This shows that even in the earlier part of the present period Scotland was by no means destitute of trade and shipping. Some of the vessels taken by Umfraville, however, might belong to foreigners ; the Lombards, in particular, according to Fordun, already carried on a considerable Scottish trade, and some of the ships in which they resorted to the country were of large burden. The usual staple of the Scottish continental commerce was at Bruges, in Flanders. James I., in 1425, removed it to Middleburgh, in Zealand ; but, on an embassy arriving the same year from the Flemings, with concessions on some points as to which the Scottish merchants had felt aggrieved, he agreed to restore the former arrangement. In ‘The Libel of English Policy,’ however, written nearly twenty years after this, we are informed that the exports of Scotland then consisted only of wool, woolfels, and hides. The Scottish wool, it is added, used to be mixed with the English, and manufactured into cloth, at the towns of Popering and Bell, in Flanders. It seems to have been exported to Flanders in Scottish vessels, which returned home with cargoes of mercery, haberdashery, and other manufactured goods of various kinds, among which are specified cart-wheels and barrows. But the most ample information respecting the commerce and manufactures of Scotland during this period is supplied, as in England, by the statute-book. A long succession of enactments relating to this subject commences from the return of James I., in 1424 ; from which date, it is worthy of remark, the Scottish laws, which had been hitherto in Latin, are written, with a very few exceptions, in the language of the country—an improvement which was not adopted in England till more than sixty years afterwards. We can here, however, only notice, in their chronological order, a few of the more remarkable particulars to be collected from this source. In 1425 it was, among other things, ordained that the merchants returning from foreign countries should always bring back, as part of their returns,

* Stow.

harness (or defensive armour), spears, shafts, bows, and staves. The same parliament also passed a law for establishing a uniformity of weights and measures. From a law of 1428, permitting merchants, for a year ensuing, to ship their goods in foreign vessels where Scottish ones were not to be found, it would appear that a Scottish navigation act existed before this time, although no record of it has been preserved. In 1430, a law was passed to which the epithet of anti-commercial may be applied, ordaining, that cloths made of silk, or adorned with the finer furs, should not be worn by any person under the rank of a knight, or whose annual income was less than 200 marks. This proves, however, that these expensive kinds of dress were then well known in the country, and were even in use among those who did not belong to the wealthiest classes. This same year King James imported from London for his own use the following articles—which it may therefore be presumed he could not procure at home so readily or of so good a quality:—20 tuns of wine; 12 bows; 4 dozen yards of cloth of different colours; 12 yards of scarlet; 20 yards of red worsted; 8 dozen pewter vessels; 1200 wooden bowls, packed in four barrels; 3 dozen coverels, a basin, and font; 2 summer saddles, 1 hackney saddle, a woman's saddle with furniture; 2 portmanteaus; 4 yards of motley; 5 yards of morrey; 5 yards of black cloth of lyre; 12 yards of kersey; and 12 skins of red leather. These goods were shipped for Scotland in a vessel belonging to London, accompanied by an order of King Henry, securing them from molestation by English cruizers.* In 1485 we find James purchasing 30 fodders of lead from the Bishop of Durham; for the export of which, either by land or water, on payment of the usual customs, an order was granted by the English council. A law of the Scottish parliament in 1424 had declared all mines to belong to the crown that yielded three halfpennies of silver in the pound of lead; and Mr. Macpherson thinks that the import of lead from England probably became necessary in

* Rymer, x. 470.

consequence of the check which this enactment put upon the operations of mining. A scarcity of the precious metals also seems to have been about this time felt, if we may judge by a law of the year 1436, which enacted that the exporters of native produce should give security to bring home, and deliver to the master of the mint, a certain quantity of bullion for every sack of wool, last of hides, or measure of other goods which they carried abroad.

One of the most eminent of the Scottish merchants of this age was William Elphinstone, who is regarded as the founder of the commerce of Glasgow, as his son Bishop Elphinstone, towards the close of the century, was of the University of Aberdeen. Elphinstone's trade is supposed to have consisted in exporting pickled salmon. Two Scottish merchants, George Faulau and John Dalrymple, repeatedly appear soon after this as employed by James II., in embassies and other public business, along with noblemen and clergymen. A law was passed in 1458, prohibiting any person from going abroad as a merchant, unless, besides being a person of good credit, he either possessed or had consigned to him property to the amount of three serplaiths—the serplaith being, according to the common account, eighty stones of wool. Merchants were at the same time forbidden to wear silk, scarlet, or fur of martens, unless they were aldermen, bailies, or in some other capacity members of a town council. The social estimation in which commercial men were at this time held in Scotland may in some degree be gathered from another clause of the act, which commands that poor gentlemen living in the country, having estates of more than 40*l.* a-year of old extent, should dress as merchants. The dress of the wives of merchants, as well as their own, was regulated by this statute: they are directed to take especial care to make their wives and daughters be habited in a manner correspondent to their estate; that is to say, on their heads short curches, with little hoods, such as are used in Flanders, England, and other countries; and gowns without tails of unbefitting length, or trimmed with furs, except on holidays. Further, as if it had been

intended to discriminate the several ranks of the community by so many different colours, like the enchanted fish in the Eastern tale, while merchants were prohibited from wearing scarlet, all hues except grey or white were interdicted to labourers on working days, and on holidays all except red, green, or light blue. So much may serve for sample sufficient of this fantastic piece of legislation. Meanwhile, the growth of the trade of the country is indicated by occasional notices of commercial treaties with foreign governments,—with England, with Denmark, with Flanders, and other continental states. In 1467 various new restrictions were imposed, with what view it is not easy to imagine, upon the pursuit of foreign commerce. It was ordained that no persons should go abroad as merchants except free burgesses, resident within burgh, or their factors and servants; and that even no burgess should have that liberty unless he was “a famous and worshipful man,” having at the least half a last of goods in property or trust. Handicraftsmen or artisans, in particular, were debarred from engaging in trade unless they obtained special licences, and renounced their crafts without colour or dissimulation. These prohibitions look very much as if they had been obtained by the influence of the mercantile body, wishing to preserve the monopoly of the foreign trade in their own hands. By another regulation all vessels were prohibited from sailing to any foreign country between the end of October and the beginning of February. Rochelle, Bordeaux, and the ports of France and Norway, are all mentioned in this act as places to which the Scottish merchants were then accustomed to resort. The regulation requiring every merchant to be a burgess made an exception in favour of the nobility and clergy, who were permitted to export their own goods, and import what they had occasion for, by the agency of their servants. In Scotland as well as in England many, both of the nobility and the bishops, had long been accustomed openly to pursue trade as a source of gain. In the beginning of this century, for instance, mention is made of a vessel carrying two supercargoes and a crew of twenty men, which was freighted by the

Earl of Douglas to trade with Normandy and Rochelle, and of another navigated by a master and twenty-four sailors, and laden with six hundred quarters of malt, of which the Duke of Albany was proprietor.* In 1404 a richly-laden vessel, belonging to Wardlaw, Bishop of St. Andrew's, was taken by the English. In 1473 another, called the *Salvator*, the property of his successor, Bishop Kennedy, being the finest vessel that had ever been built in Scotland, was wrecked at Bamborough, when the cargo was plundered, and the crew made prisoners by the people of the country,—an outrage for which redress was soon after demanded by the Scottish parliament, and which it was finally agreed should be compensated by the King of England paying the merchants to whom the goods belonged a composition of five hundred marks.

Very few notices respecting the trade of Ireland occur during this period. The exports from that country, according to the author of the ‘*Libel of English Policy*,’ were hides, wool, salmon, hake (a kind of fish), herrings, linen, falding (a kind of coarse cloth), and the skins of martens, harts, otters, squirrels, hares, rabbits, sheep, lambs, foxes, and kids. Some gold ore had also lately been brought thence to London. The abundant fertility and excellent harbours of Ireland are celebrated by this writer.

In connexion with the subject of trade and commerce it may be mentioned, that to the close of this period we owe the first establishment in England of public posts for the conveyance of intelligence. The plan was first carried into effect in France by Louis XI., about the year 1476, and was introduced in England by the Duke of Gloucester (afterwards Richard III.), while conducting the Scottish war in 1481. By means of post-horses changed at every twenty miles, letters, we are told, were forwarded at the rate of a hundred miles a day. Both in France and in England, however, the post in this, its earliest form, was exclusively for the use of the government.

The English coins of this period were, with one excep-

* See Tytler, *Hist. of Scotland*, iii. 238.

tion, to be presently noticed, gold and silver pieces of the same denominations that have been already described. Although, however, the names, and also the relative values, of the coins continued unchanged, their positive values, or the actual quantities of metal of which they were formed, underwent a succession of diminutions. It has been stated that, whereas, originally, 240 pennies were coined out of the Tower pound of silver, weighing 5400 grains troy, Edward III. coined out of the same quantity of silver 270 pennies; thus reducing the quantity of silver in each penny from $22\frac{1}{2}$ to 20 grains. The effect of this would be to depreciate the penny by the amount of about one-third of a farthing, and the nominal pound (which was still held to contain 20 shillings, or 240 pence) by about 6s. 6d. in our present money; thus reducing it from about 56s. 3d. to somewhat less than 50s. The groats, or fourpenny pieces, afterwards issued by Edward III., carried the depreciation still farther than this; each of these coins weighing only 72 grains instead of 90, which they ought to have done according to the original scale, or 80, which even the lately reduced rate would have demanded. A shilling paid in these groats was worth only about 2s. 3d. of our present money, instead of about 2s. 9 $\frac{1}{2}$ d., its original value; and a pound paid in the same coin was only about 46 of our present shillings.

Such, then, were the values of the several silver coins at the accession of Henry IV. That king, in 1412, depreciated the currency still more by coining the Tower pound into 30 shillings by tale—that is to say, into 360 pennies; the effect of which was to reduce the amount of silver in each penny to 15 grains, and the value of the penny to not quite 2d., of the shilling to about 1s. 10 $\frac{1}{2}$ d., and of the pound to 1l. 17s. 9d. of our present money. The strange reason assigned for this alteration was “the great scarcity of money in the realm,”—as if money, or anything else of intrinsic value, could be made more plentiful by the easy process of cutting each piece into two. The ordinance, which stands on the rolls of parliament, however, betrays a consciousness that the ingenious expedient was not likely to succeed. The new mode of coin-

age was directed to be tried only for two years ; and if at the end of that time, it should be found against the profit of the king and his realm, then to cease. It must, in fact, even then have been plain to all the world that the measure, the evil effects of which had already been repeatedly experienced, was nothing else than a robbery of the public for the benefit of the royal exchequer. Even to the crown, indeed, the benefit was only temporary ; but this deeper truth may not have been so clearly perceived. In the first instance, of course, and for the moment, the base coinage was profitable to the utterer. The different pieces coined by Henry IV. were halfpennies, pennies, and groats of silver, and nobles, half nobles, and quarter nobles of gold. In the last year of his reign he reduced the quantity of gold in the noble from its original amount of 120 grains to 108 grains ; in other words, he diminished its intrinsic value by one-tenth. Henry's gold coins exactly resemble those of his predecessor, the only difference being the substitution of the name HENRICUS for RICHARDUS. His silver coins are also principally distinguished by the name.

The values of the several denominations of English money continued without further reduction during the two next reigns. The silver coins of Henry V. are supposed to be distinguished from those of his father by two little circles on each side of the head, which are thought to have been intended for eylet-holes,—“ from an odd stratagem,” says Leake, “ when he was prince, whereby he recovered his father’s favour, being then dressed in a suit full of eylet-holes : from that time may likewise be dated his extraordinary change of manners, which proved so much to the honour of himself and the kingdom, and therefore not an improper distinction of the money of this prince from the others of the same name.”* The story in question, which is told at great length by Holinshed, Speed, Stow, and other chroniclers of that age, is, briefly, that, when the worst suspicions of the conduct of his son had been infused into the mind of Henry IV., the prince

* Leake’s Historical Account of English Money, p. 139.

regained his father's favour by appearing before him, and offering the king his dagger, that he might, if he pleased, take his life on the spot. On this occasion, it seems, "he was appareled in a gown of blue satin, full of small eylet-holes, at every hole the needle hanging by a silk thread with which it was sewed : about his arm he ware a hound's collar set full of S S of gold, and the tirets likewise being of the same metal." * But what particular part in the stratagem this fantastic dress was intended to play does not appear. The story looks at the best as if we had got only the half of it ; but it is probably altogether an invention of a later age, and, instead of having been the origin of the eylet-holes on the coin, it is most likely itself the offspring of that device. Henry V. also struck various French coins, among which were muttons (so called from bearing the impression of a lamb, or *Agnus Dei*) of gold, and groats, half groats, quarter groats, mançois, and petit deniers, of silver. After the treaty of Troyes he coined others called saluts, demi-saluts, blancs, &c., in the legend of which he took the title of *Hæres Franciæ*, or Heir of France.

The English coins of Henry VI. are supposed to be distinguished from his father's by the arched crown called the imperial, surmounted with the orb and cross. He also issued, as King of France, saluts, angelots, franks, and nobles of gold, and groats, blanks, deniers, &c., of silver.

The English money was again depreciated by Edward IV., who, in 1464, ordered the Tower pound of silver to be coined into 37*s.* 6*d.* by tale, that is, into 450 pennies. The penny now, therefore, contained only 12 grains of silver, and its value was little more than 1*½d.* of our present money ; that of the shilling was about 1*s.* 6*d.* ; and that of the nominal pound about 30*s.* Edward IV., in 1466, also struck two new gold coins, called angels and angelots, from the figure of an angel on the reverse. These were intended as substitutes for the noble and the half noble, and were, like them, ordered to pass respect-

* Holinshed.

ively for 6s. 8d. and 3s. 4d.; but they were considerably inferior in intrinsic value even to the nobles that had been struck since the last year of the reign of Henry IV.; for, instead of 108 grains, the angel contained only 80 grains. It was, therefore, really worth little more than three-fourths of the late noble, or exactly two-thirds of the original coin of that name. Henry VI. also, during his short restoration to power in 1470, coined angels of gold, and groats and half groats of silver, all after the depreciated standards that had been established by Edward IV. It is not probable that Edward V. coined any money. The gold coins of Richard III. were angels and half angels, of the same weight as his brother's, and bearing Richard's cognizance of a boar's head; his silver money is distinguished from that of Richard II. by being a third lighter.

The depreciation of the coin in Scotland during the present period proceeded much more rapidly, and was carried to a much greater extent, than in England. When James I. returned home, in 1424, he found the real value of the Scottish money very considerably less than that of the English of the same denominations; on which he immediately got an act of parliament passed for restoring the coin to the same weight and fineness with that of England; but it proved of no effect,—the depreciation was carried farther and farther, till at length, at the close of the present period, the Scottish coins were scarcely more than one-fourth of the weight of the English. The pound of silver, which had been originally coined, as in England, into 20 shillings, was coined in 1424 into 37s. 6d.; in 1451 into 64s.; in 1456 into 96s.; and in 1475 into 144s. The value of the Scottish shilling at this last-mentioned date, therefore, was little more than 4½d. of our present money. We shall find, however, that it afterwards declined to a much lower point than this.

CHAPTER VI.

FROM THE ACCESSION OF HENRY VII. TO THE END OF THE
REIGN OF ELIZABETH. A.D. 1485—1603.

THE present period was an age of great revolutions and remarkable progress in the commerce and general industry, not only of this country, but of the world. But in England especially the sixteenth century is distinguished from the fifteenth almost as the day is from the night, in respect to the activity and advancement of the nation in every field of exertion and enterprise where those accumulated results are to be achieved that constitute civilization.

The encouragement of the trade of the kingdom, being an object in which he saw much profit to himself as well as to his subjects, engaged much of the attention of Henry VII. during his whole reign. It cannot, however, be said that this sagacious king was much beyond his age in some of the notions on which he proceeded in this matter. His general views may be considered to be explained in the speech which his minister, Cardinal Morton, addressed, as Lord Chancellor, to the parliament which met in November, 1487. After having expressed his majesty's anxious desire to restore peace and order to his kingdom by good and wholesome laws,—by which alone, he observed, sedition and rebellion were to be truly put down, and not by the blood shed in the field or by the marshal's sword,—the eloquent chancellor went on;—“And, because it is the king's desire that this peace, wherein he hopeth to govern and maintain you, do not bear only unto you leaves for you to sit under the shade of them in safety, but also should bear you fruit of riches, wealth, and plenty, therefore his

grace prays you to take into consideration matter of trade, as also the manufactures of the kingdom, and to repress the bastard and barren employment of moneys to usury and unlawful exchanges, that they may be, as their natural use is, turned upon commerce and lawful and royal trading." That is to say, commerce was to be promoted by the destruction of credit; for a chief branch of commercial credit is the lending and borrowing of money on interest, which is what is here called usury. The next of the cardinal's recommendations also partook of the twilight views of the time,—a twilight, however, which the space of three centuries and a half that has since elapsed has not wholly dissipated. After calling upon them to take measures that the "people be set on work in arts and handicrafts, that the realm may subsist more of itself; that idleness be avoided, and the draining out of our treasure for foreign manufactures stopped;" he continued:—"But you are not to rest here only, but to provide further that whatsoever merchandise shall be brought in from beyond the seas may be employed upon the commodities of this land, whereby the kingdom's stock of treasure may be sure to be kept from being diminished by any overtrading of the foreigner." So that the old system of encouraging foreign trade by shutting out foreign merchants and foreign commodities was still the only plan that was thought of, and the sole end and design of all commercial intercourse with other nations was held to be, to take produce and manufactures out of the country and to bring gold into it.

The conclusion of the chancellor's oration is worth quoting for its curious argument, intended to prove how the country would enrich itself by making the king as rich as possible. "And, lastly," said Morton, "because the king is well assured that you would not have him poor that wishes you rich, he doubteth but that you will have care as well to maintain his revenues of customs and all other natures, as also to supply him with your loving aids, if the case shall so require. The rather for that you know the king is a good husband, and *but a steward, in effect, for the public; and that what comes*

*from you is but as moisture drawn from the earth, which gathers into a cloud, and falls back upon the earth again.”** All this, too, however (only substituting the government for the king, who in that age was the whole government), is still the faith of many people in our own day, when the spark of truth that lies in the heart of the error, and has kept it so long alive, is hardly so considerable a particle as it was in the circumstances in which Cardinal Morton propounded his ingenious metaphor. The economical evil of a large diversion of the public wealth into the hands of the government is not that the money so paid over is absorbed or lost to the public, as if it were buried in the ground or thrown into the sea ; in so far at least as it is expended in the country, which nearly all of it usually is, it does undoubtedly descend again to the sources from which it was drawn, as the moisture that rises from the earth in vapour falls back upon it in showers. The objection is, not that any part of it is absolutely lost to the country, but that, as expended by the government, it is not expended so advantageously for the interests of industry and production as it would have been if it had been left in the pockets of the people. There is nothing lost ; but there is not so much gained in the one case as there would have been in the other. The reproduction is less ; the accumulation of the capital of the community does not go on so fast. However, there may perhaps be a state of circumstances in which it is for the general advantage that a portion of the public wealth should be impelled by force in a certain direction, for the sake of forming and maintaining somewhere a larger reservoir of capital than would otherwise anywhere exist : the general rule may be that capital should be allowed to diffuse itself freely, because in that way the increase will, upon the whole, be the largest ; but there may be an exception for the case of an early society, which would labour under the disadvantage of having no capital but what was distributed in driblets unless some system of artificial drainage were put in

* Bacon’s Henry VII.

action to collect a number of the puny rivulets into one efficient stream. Even the rapacity of a king or a government, whatever counterbalancing evils it may be attended with, may in some sort answer this purpose ; and Cardinal Morton's metaphoric logic, therefore, though not the whole truth, in regard to Henry VII. with his riches being but a cloud made for the refreshment of his people, was not perhaps without a smack of reason as well as of poetry.

Agreeably to the spirit of one of the chancellor's commercial principles, the parliament now passed an act against usury (3 Henry VII. c. 6), that is, against all lending of money on interest, and took much pains to provide against the various ways in which attempts were likely to be made to evade the prohibition. The punishment for offenders was the annulment of the usurious bargain, and a fine of a hundred pounds—"reserving to the church," it was added, "this punishment notwithstanding, the correction of their souls according to the laws of the same." The objection to usury was in its origin purely a religious feeling, derived from the general antipathy to the Jews, the great money-dealers of the middle ages.

In another of the acts of the parliament of 1487-8, passed for annulling an ordinance of the lord mayor and aldermen of London, prohibiting any of the citizens from resorting with their goods to any fair or market out of the city, there occurs incidentally an enumeration of the principal places where fairs were then held throughout the country, and also of the articles sold at them. The London ordinances, if allowed to stand good, the Commons represent to his Majesty, " shall be to the utter destruction of all other fairs and markets within this your realm, which God defend [forbid] ; for there be many fairs for the common weal of your said liege people, as at Salisbury, Bristow, Oxenforth, Cambridge, Nottingham, Ely, Coventry, and at many other places, where lords spiritual and temporal, abbots, priors, knights, squires, gentlemen, and your said commons of every country, *hath their common resort to buy and purvey many things*

BRITISH COMMERCE.

that be good and profitable, as ornaments of holy chalicees, books, vestments, and other ornaments for church aforesaid ; and also for household, as victual the time of Lent, and other stuff, as linen cloth, wooll cloth, brass, pewter, bedding, osmund, iron, flax, ar wax, and many other necessary things, the which might not be forborne among your liege people." At this time most purchases, except of articles of daily consumption, were probably made at these markets periodically held in the great towns. The act attests the commercial pre-eminence which London had now acquired, the country markets, it appears, being principally dependent for their supplies upon the resort to them of the dealers from the capital.

Of several commercial treaties made with foreign countries in the reign of Henry VII., we may notice one that was concluded with Denmark in 1490, being an extension of one that had been entered into the preceding year. Among other regulations it was provided by this compact that the English should freely enjoy for ever the property of all the lands and tenements they possessed at Bergen in Norway, Lunden and Landscrone in Schonen, Dragor in Zealand, and Loysa in Sweden. At all these places, therefore, there were English residents and commercial establishments. The English settlers in each of these towns, and wherever else there might be any, were to have full liberty, according to custom, to erect themselves into societies, and to elect one of their number as governor or alderman to administer justice among them according to laws agreed upon among themselves, the Danish government engaging to support his authority. On the other hand, there is no mention of any privileges to be enjoyed by subjects of Denmark resident in England, from which we may conclude that there were no taxes settled here. It also appears that all the trade between the two countries was carried on in English vessels. The only commodities specified in the treaty were *woollen cloths* brought from England, and fish purchased in Denmark, though mention is made of other merchandise in general terms.

Another important treaty of the same kind was made in the same year with the republic of Florence, which also contains some things deserving of notice. In 1475 Richard III. had, on the application of some English merchants who proposed engaging in the trade to Pisa, appointed a Florentine merchant to be governor of all subjects who might become resident in that city, or what we should now call English consul there; and from that date in all probability is to be counted the commencement of the trade to Florence in English vessels. From this present treaty it appears that such a trade was now fully established; and the English settled at Pisa are also spoken of in such terms as should seem to show that they already formed a considerable community. They were to have a right to hire or otherwise procure houses for their residence, and to form themselves into a corporate body, with a governor and other officers according to their own regulations; and were not only to enjoy all the privileges enjoyed by the citizens of Pisa or of Florence, but were even to be exempted from municipal taxation in all parts of the state except in Florence. For these advantages, it is true, they were to pay a good price; for it was stipulated by this treaty—which was to last for six years—both that the English should every year bring as much wool to Florence as had on an average been used to be brought, and that no wool should be allowed to be exported by foreigners from any part of the English dominions, except six hundred sacks annually by the Venetians. The treaty, therefore, secured to the Florentines as much English wool as they required, and of course at no higher prices than they had been accustomed to pay, unless their own demand should become an increasing one—for, with neither a rise in the demand nor a falling off in the supply, there could be no rise in the price; and it also tended to reduce the price of wool in the English market by checking the purchase of it by all other foreigners. This latter regulation, however, was so of the nature of a monopoly granted to the English sheepowner—though at the expense of his fellow-countrymen, the sheepowner.

The affair of Perkin Warbeck, and the encouragement given to that adventurer by the Duchess Dowager of Burgundy, had the effect of interrupting for some years of this reign the most important branch of the foreign commerce of England—the trade with the Netherlands. Henry first, in 1493, banished all the Flemings out of England, and ordered all intercourse between the two countries to cease; on which the Archduke Philip, the sovereign of the Netherlands, expelled in like manner all the English subjects resident in his dominions. This state of things continued for nearly three years, when the interruption of trade “began,” says Bacon, “to pinch the merchants of both nations very sore, which moved them by all means they could devise to affect and dispose their sovereigns respectively to open the intercourse again. Wherein time favoured them; for the archduke and his council began to see that Perkin would prove but a runagate and a citizen of the world, and that it was the part of children to fall out about babies. And the king, on his part, after the attempts upon Kent and Northumberland, began to have the business of Perkin in less estimation, so as he did not put it to account in any consultation of state. But that that moved him most was, that, being a king that loved wealth and treasure, he could not endure to have trade sick, nor any obstruction to continue in the gate-vein which disperseth that blood.” At last, commissioners from both sides met at London, and soon arranged a treaty for the renewal of the trade. “After the intercourse thus restored,” adds the historian, “the English merchants came again to their mansion at Antwerp, where they were received with procession and great joy.” All the while that the stoppage lasted, the merchant adventurers, he says, “being a strong company at that time, and well under-set with rich men, did hold out bravely; taking off the commodities of the kingdom, though they lay dead upon their hands for want of vent.” This they must have done out of a patriotic zeal in the support of the government, or perhaps they may have been in some measure forced by the urgent solicitation or threats of the king to incur the loss they did. T

treaty made upon this occasion with the Flemings was distinguished by the name of the “ Intercursus Magnus,” or great treaty.

The merchant adventurers here spoken of by Bacon appear to have been the Company of Merchant Adventurers of London, an association which can be traced back nearly to the beginning of the fourteenth century, and which a few years after this time (in 1505) was incorporated by royal charter under the title of the Merchant Adventurers of England. Presuming perhaps upon the aid they had afforded to the crown on this occasion, these London merchants appear to have now made an attempt to take possession of the whole foreign trade of the country, by asserting a right to prevent any private adventurers from resorting to a foreign market without their licence. This gave occasion to the passing of an act of parliament in 1497 (the 12th Henry VII. c. 6), which affords a general view of the foreign commerce of England at that date, as stated in the petition, which the preamble recites, of the merchant adventurers inhabiting and dwelling in divers parts of the realm out of the city of London. The petitioners represent that they had been wont till of late to have free course and recourse with their merchandises into Spain, Portugal, Britany, Ireland, Normandy, France, Seville, Venice, Dantzic, Eastland, Friesland, “ and other divers and many places, regions, and countries, being in league and amity with the king our sovereign lord,” where in their sales and purchases every one used freely to proceed in the manner he deemed most for his individual advantage, “ without exaction, fine, imposition, or contribution to be had or taken of them, or any of them, to, for, or by any English person or persons;” and in like manner they had till now been used to have free passage and resort “ to the coasts of Flanders, Holland, Zealand, Brabant, and other places thereto nigh adjoining, under the obeisance of the Archduke of Burgoyne (or Burgundy), in which places the universal marts be commonly kept and holden four times in the year, to which marts all Englishmen and divers other nations in time past have used to resort, there

to sell and utter the commodities of their countries, and freely to buy again such things as seemed them most necessary and expedient for their profit and the weal of the country and parts that they be come from." Now, however, "the fellowship of the mercers and other merchants and adventurers dwelling and being free within the city of London," had made an ordinance and constitution that no Englishman resorting to the said marts should either buy or sell any goods or merchandises there, unless he first compounded and made fine with the said fellowship of merchants of London at their pleasure, upon pain of forfeiture of the goods so by him bought or sold; "which fine, imposition, and exaction," the petition goes on, "at the beginning, when it was first taken, was demanded by colour of a fraternity of St. Thomas of Canterbury, at which time the said fine was but the value of half an old noble sterling (3s. 4d.), and so by colour of such feigned holiness it hath be suffered to be taken for a few years past; and afterward it was increased to a hundred shillings Flemish; and now it is so that the said fellowship and merchants of London take of every Englishman or young merchant being there, at his first coming, twenty pounds sterling for a fine, to suffer him to buy and sell his own proper goods, wares, and merchandises that he hath there." It is asserted that the effect of this imposition had been to make all merchants not belonging to the London company withdraw themselves from the foreign marts, whereby the woollen cloth, which was one of the great commodities of the realm, "by making whereof the king's true subjects be put in occupation, and the poor people have most universally their living," and also other commodities produced in different parts of the kingdom, were not disposed of as formerly, "but, for lack of utterance of the same in divers parts where such cloths be made, they be conveyed to London, where they be sold far under the price that they be worth, and that they cost to the makers of the same, and at some time they be lent to long days, and the money thereof at *divers times never paid.*" On the other hand, foreign commodities, the importation of which was now whol-

in the hands of the London company, were sold at so high a price that the buyer of the same could not live there-upon—that is to say, could not retail them at a living profit. “By reason whereof,” the petition concludes, “all the cities, towns, and boroughs of this realm in effect be fallen into great poverty, ruin, and decay; and now in manner they be without hope of comfort or relief, and the king’s customs and subsidies and the navy of the land greatly decreased and diminished, and daily they be like more and more to decay, if due reformation be not had in this behalf.” Although, however, the act seems to adopt this representation as correct, it does not go the length of putting down the privilege claimed by the London company: the company, it would appear, was too formidable for that; all that was done, therefore, was to limit the fine they should be entitled to exact for the future to the moderate amount of ten marks, or 6*l.* 18*s.* 4*d.* To that extent the act sanctioned the hitherto doubtful and disputed pretensions of the London merchant adventurers, and gave them so far a legal right of control over the whole foreign trade of the country. We shall find that the powers which they thus acquired formed a fertile source of controversy and contention for ages afterwards.

An act of parliament made in 1504, to regulate the importation of foreign silk (19 Hen. VII. c. 21), indicates what branches of the silk manufacture were now established in England, by prohibiting all persons for the future from bringing into the realm to be sold “any manner of silk wrought by itself, or with any other stuff, in any place out of this realm, in ribbons, laces, girdles, corses, cauls, corses of tissues, or points.” All these articles of knit silk, “the people of England,” as Bacon expresses it, “could then well skill to make.” But the importation of “all other manner of silks” was freely permitted; “for that the realm,” observes Bacon, “had of them no manufacture in use at that time.” The historian praises this law as having the stamp of the king’s *wisdom and policy*; and it “pointed,” he says, “at a true principle, that, where foreign materials are but *superfluities*, foreign manufactures should be prohibited;

for that will either banish the superfluity or gain the manufacture." But where would be the harm of having the superfluity, even without the manufacture? The superfluity could not be brought from abroad without the money to purchase it being acquired by some species of industry or other exercised within the realm. For the encouragement of the national industry, therefore, the acquisition of the superfluity by purchase comes to the same thing with its acquisition by the introduction of the manufacture. From the title of this act, "For Silkwo-men," it may be inferred that the trifling branches of the silk manufacture, consisting merely of knitting, that had as yet been introduced into England were exclusively in the hands of females.

In January, 1506, the Archduke Philip, sailing from Flanders to Spain with his wife, now, by the death of her mother, become Queen of Castile, was driven by stress of weather into Weymouth, and found himself at once the guest and the prisoner of the English king. On this occasion a treaty was wrung by Henry from the captive sovereign of the Netherlands which was called by the Flemings the Intercursus Malus, or evil treaty, by way of contrast with "the great treaty" of 1496. The terms of the new arrangement, however, are now of no interest; it is sufficient to state that they were somewhat more favourable to the English merchant than those of the former treaty.

A sort of charter of indemnity granted to certain Venetian merchants by Henry in 1507, with the view of screening them, it is conjectured, from prosecutions to which they had exposed themselves by the advantage they had taken of previous illegal grants made to them by the king, is preserved in Rymer, and may be noticed as containing an enumeration of the principal foreign nations then carrying on trade with and in this country. The Venetians are authorised to buy and sell, for ten years to come, at London and elsewhere, in England, Ireland, and Calais, woollen cloth, lead, tin, leather, &c., with the English, Genoese, Venetians, Florentines, Luccans, Spaniards, Portuguese, Flemings, Hollanders, Brabanters,

Burgundians, German Hanseatics, Lombards, and Easterlings, and all other foreigners. The Scots and French are omitted in this list, probably because there were no merchants of those nations resident in England, though some trade was, no doubt, carried on with both.

A document of the following year, found in the same repository, affords us a list of what were then accounted the wealthiest and most important cities and towns in England—the security for the marriage portion of two hundred and fifty thousand gold crowns to be paid with Henry's daughter Mary, when it was proposed to marry her to the Emperor Maximilian's grandson, Charles (afterwards the Emperor Charles V.). On this occasion the towns that became bound for Henry's performance of his engagement were, London, Coventry, Norwich, Chester, Worcester, Exeter, York, Bristol, Southampton, Boston, Hull, and Newcastle-upon-Tyne.

The short space of time comprehended in the reign of Henry VII. of England is memorable for the two greatest events in the history of nautical discovery and of modern commerce,—the achievement of the passage to India by the Cape of Good Hope, and the revelation of the new world of America by the voyage of Columbus. Both these great discoveries were made in the search after the same object, a route to India by sea, which serves in some degree to account for the two having been so nearly coincident in point of time. Bartholomew Diaz returned to Portugal from the voyage in which he had rounded the southern extremity of Africa in December, 1487. Some years before this date, however, Columbus had conceived his more brilliant idea of reaching the oriental world by sailing towards the west; a course which, on his conviction of the earth's rotundity, he calculated would bring him to the eastern confines of the same golden continent the western parts of which were gained by proceeding in the opposite direction. Among the various states and crowned heads to which the illustrious Genoese proposed the glory of his great enterprise before he found a patroness in Isabella of Spain, one was our Henry VII., to whom he sent his brother Bartholomew in 1488. In

his passage to England, Bartholomew was captured by pirates, plundered of everything, and made a slave. After some time he made his escape, and reached this country, but in such a state of destitution that he was obliged to apply himself to drawing sea-charts for a livelihood, and for the means of procuring himself decent clothes, before he could appear in the royal presence. King Henry so far listened to his proposals as to desire him to bring his brother to England ; and he was on his way to Spain for that purpose, when, on reaching Paris, he learned that Columbus had already set out on his voyage under the patronage of the Spanish court. The capture of Bartholomew by pirates, it is remarked by the historian of our commerce, “ thus turned out, under the direction of Providence, the means of preserving the English from losing their industry and commercial spirit in the mines of Mexico and Peru.” Columbus sailed on his memorable voyage, from the bar of Saltes, near Palos, in Andalusia, on Friday, the 3rd of August, 1492, and reached the island of San Salvador on the 12th of October. He afterwards discovered Cuba, Hispaniola, and others of the West Indian islands : and on the 15th of March, 1493, he again landed at Palos, bringing back to the astonished nations of Europe the tidings of his success, in having reached what he continued to believe to his dying day to be the eastern shore of the Indies—for it was not till twenty years after this time, and seven years after the original discoverer of the new world had been laid in his grave, that the Pacific was first seen from the mountains near Panama by Balboa. On the 25th of September, 1493, Columbus sailed from Cadiz on his second voyage, from which he returned to the same port on the 11th of June, 1496, after having discovered the Caribbee Islands, Puerto Rico, and Jamaica.

Meanwhile, the spirit of enterprise in the new direction thus pointed out had spread among the navigators and governments of other countries ; and on the 5th of March, in this last-mentioned year, the King of England granted a patent to John Cabot, or Gabotto, a Venetian, then settled at Bristol, and to his three sons, Lewis

Sebastian, and Sanches, authorising them to navigate the eastern, western, and northern seas, under the English flag, with five ships, and as many men as they should judge proper, at their own sole costs and charges, to discover the countries of gentiles or infidels, in whatever part of the world situated, which had hitherto been unknown to all Christians ; "with power to them, or any of them," continued the patent, "to set up our banners in any town, castle, island, or continent, of the countries so to be discovered by them ; and such of the said towns, castles, or islands, so found out and subdued by them, to occupy and possess, as our vassals, governors, lieutenants, and deputies ; the dominion, title, and jurisdiction thereof, and of the *terra firma* or continent so found out, remaining to us." Henry characteristically added a provision to the effect, that, out of the profits of their discoveries under this charter, the Cabots should be obliged to pay to him, after each voyage, one-fifth part, either in merchandise or in money. He is, therefore, entitled to very little credit for having promoted this expedition, in regard to which he merely interfered to secure to himself the lion's share in the results, without having contributed anything to the expense of the outfit. The Cabots—at least the father and his second son, Sebastian, the most scientific and enterprising of the family, although at this time only in his nineteenth year—sailed from Bristol in the beginning of May, 1497, in a ship of their own, called the Matthew ; "with whom," according to Bacon, "ventured also three small ships of London merchants, fraught with some gross and slight wares, fit for commerce with barbarous people." On the 24th of June, they discovered what they supposed to be an island, but what appears to have been the coast of Labrador, in about latitude 56° . From this point they are said to have sailed northwards—in the hope of finding a passage to India or China—as far as latitude $67\frac{1}{2}^{\circ}$. Then, from an entry under date of 10th August, 1497, in the privy-purse expenses of Henry VII., of a donation of 10*l.*, "to him that found the new isle," it is conjectured that the Cabots immediately returned to England. To the

country they had discovered they gave the name of Prima Vista (First View), which, however, it soon lost, having been since successively called Corterealis, from Gaspar Cortereal, a Portuguese, who fell in with the same coast in 1500; Estotiland, from its having been supposed to be the country so denominated in the (possibly fabulous) account of the voyage of the Zeni, about 1350; New France, after Canada was taken possession of and settled by the French; New Britain, by the English after their discoveries, in the early part of the seventeenth century, along the coasts of Hudson's Bay; and by the Portuguese Labrador, or Tierra di Labrador, said to be a corruption of *Laborador* (labour), from some traces of cultivation which the part of the coast they first saw seemed to present.

Sebastian Cabot appears to have made two more voyages in the two following years, in the second of which, taking a course declining towards the south, he reached the Gulf of Mexico.* Columbus also, on the 30th of May, 1498, sailed from San Lucar de Barrameda, on his third voyage, in which he discovered the island of Trinidad and the country adjacent to the mouths of the Orinoco—his first view of the American continent, the northern coast of which, as we have just seen, had been reached about a year before by the Cabots. And contemporaneously with these voyages towards the west, by the Spanish and English navigators, those of Portugal were prosecuting the passage towards the east around the extremity of Africa, which had been laid open by Bartholomew Diaz. On the 8th of July, 1497, Vasco de Gama sailed from the Tagus on the first voyage by that route to India, the western coast of which, at Cali-

* In the notice of Remarkable Occurrences in the reign of Henry VII., in Kennet's Complete History, it is said, without any authority being given, that, in the seventeenth year of the reign, Sebastian Cabot brought three Indians into England, who were clothed in beasts' skins, and eat raw flesh. "Two of them," it is added, "were seen two years after, dressed like Englishmen, and not to be distinguished from them."

cut, in Malabar, he reached on the 22nd of May, 1498. Gama returned to Lisbon in September, 1499. Finally, in the following year, 1500, the coast of Brazil was accidentally discovered, by the Portuguese admiral, Pedro Alvarez de Cabral, being driven upon it by a storm, while following the course of Gama to Calicut, at the head of a fleet of thirteen ships, carrying a force to effect a settlement in Malabar—a circumstance, as has been remarked, which shows that America, even if Columbus had never existed, could not possibly have long remained concealed after the Portuguese began to navigate the southern part of the Atlantic Ocean.

Bacon states that, besides the patent to the Cabots, Henry, "again, in the sixteenth year of his reign (1500), and likewise in the eighteenth (1502), granted forth new commissions for the discovery and investing of unknown lands." The commission of 1500 has not been preserved; but that of 1502 is in Rymer, and it refers to the former as having been granted to Hugh Elliot and Thomas Ashurst, merchants of Bristol; to John Gunnalus and Francis Fernandus, natives of Portugal; and also to Richard Ward, John Thomas, and John Fernandus. In the second licence the three last names are left out. In other respects the licence is nearly of the same tenor with that granted some years before to the Cabots, except that it forbids the adventurers to concern themselves with or to offer to molest such heathen and infidel countries as were already discovered and reduced to the obedience of the King of Portugal, or of any other prince the friend or ally of the king. This was all the respect that Henry chose to pay to the famous award of Pope Alexander VI. in 1493, by which, drawing a line from pole to pole through the middle of the Atlantic and the southern continent of the new world, he bestowed all the countries that should be discovered to the west of that boundary on the King of Spain, and all those to the east of it on the King of Portugal. None of these expeditions of discovery, however, patronised (if that term can be used) by Henry, were attended with any success—the natural consequence of the parsimony which made

him refuse all pecuniary assistance to the adventurers, who were all apparently as ill able as projectors usually are to prosecute their ingenious schemes from their own resources. This very wary king was not to be induced to spend his money even in taking possession of a new country when it was discovered for him ; no attempt seems to have been made to turn to account the discovery of North America by the Cabots ; and, as for the other adventurers he afterwards sent forth, none of them is recorded to have ever caught a glimpse of anything new in the shape of either continent or isle.

The more easy intercourse opened with India, by the discovery of the passage round the Cape of Good Hope, produced almost immediately considerable changes in the current of European commerce. The Venetians, bringing home the spices and other productions of the East by land carriage, soon found themselves unable to compete with their rivals, the Portuguese, now enjoying the advantage of the much cheaper conveyance by sea ; and Lisbon became what Venice had been—the great source of the supply of these commodities, and the resort of traders from every part of Europe. The Lisbon merchants also carried the productions of India in so much larger quantities than had ever before been known to the great intermediate mart of Antwerp, that the wealth and grandeur of the latter city also may be said to have commenced with this date. The reduction of price so prodigiously extended the consumption of these commodities all over Europe, that they now formed one of the chief branches of the Antwerp trade. The Italian historian of the Low Countries, Ludovico Guicciardini, writing not long after the middle of the sixteenth century, calculates that the value of the spices alone brought to Antwerp from Lisbon exceeded a million of crowns yearly. Tempted by the new trade, many German and other foreign merchants came to settle at Antwerp, and to contribute to its rising fortunes the aid of their resources and enterprise.

Marked effects, also, were not long in beginning to flow from the discovery of America and the West Indies. Herrera, the historian of the Spanish Indies, relates that,

a few years after the commencement of the sixteenth century, the gold brought home by the Spaniards from Hispaniola amounted annually to about 460,000 pieces of eight, or above 100,000*l.* sterling. This, however, was an influx of wealth which did not tend to invigorate the nation that received it, or to give life to its industry, like that gathered by the busy hand of commerce. But the import of the cotton, sugar, ginger, and other productions of her West Indian possessions, also created a new branch of trade which Spain monopolised, and which gave employment to a considerable quantity of shipping.

In the benefit of all these new channels, along which the productions of distant parts of the earth were made to flow towards Europe, the English, though they had not yet embarked in the trade either to the east or to the west, could not fail indirectly to share. Accordingly, we find our historians testifying to the decided augmentation of the wealth of the country, and the more general diffusion of luxuries among all classes, in the course of the reign of Henry VII. Some of them, indeed, ascribe the improvement chiefly, or in great part, to the active encouragement given by that king to commercial enterprise. "This good prince," says Hall, the chronicler, "by his high policy, marvellously enriched his realm and himself, and left his subjects in high wealth and prosperity, as is apparent by the great abundance of gold and silver yearly brought into the realm, in plate, money, and bullion, by merchants passing and repassing, to whom the king, of his own goods, lent money largely, without any gain or profit, to the intent that merchandise, being of all crafts the chief art, and to all men both most profitable and necessary, might be the more plentifuller used, haunted, and employed in his realms and dominions." The latter part of this statement (which is translated from Polydore Virgil) may warrant some scepticism; but it is possible that, seeing the taking of interest was forbidden by the law, Henry may have sometimes advanced money, on *good security*, to assist in adventures of which he was *arely to have his corresponding share in the profits.*

The increase of the foreign trade of the country, and of the wealth of the people and their command over the conveniences and luxuries of life, proceeded at an accelerated rate during the early part of the next reign. Of this there are various indications both in the notices of the chroniclers and in the pages of the Statute-book. An act, for instance, of 1512 (4 Henry VIII. c. 6), for regulating the sealing or stamping at the Custom-house of cloths of gold and silver, of "bawdekin," velvet, damask, satin, sarsenet, "tartron," camblet, and every other cloth of silk and gold brought from beyond the seas, incidentally mentions that it was not unusual for 3000 or 4000 pieces of these fabrics to be brought over in one ship. Most of the artificers of the more costly description of articles, and also many of the persons who traded in these and other commodities, appear still to have been foreigners settled in England; and from the details that are given of a great insurrection of the native Londoners on May-day, 1517, against these strangers, we have some curious particulars of the branches of industry then carried on in the capital. The popular complaints against the foreigners were, according to Hall, "that there were such numbers of them employed as artificers that the English merchants had little to do by reason the merchant strangers bring in all silks, cloths of gold, wine, oil, iron, &c., that no man almost buyeth of an Englishman; they also export so much wool, tin, and lead, that English adventurers can have no living; that foreigners compass the city round about, in Southwark, Westminster, Temple Bar, Holborn, St. Martin's [Le Grand], St. John's Street, Aldgate, Tower Hill, and St. Catherine's; and they forestall the market, so that no good thing for them cometh to the market; which are the causes that Englishmen want and starve, whilst foreigners live in abundance and pleasure." The importation of various articles from abroad, that interfered with home produce and manufactures, was also loudly cried out against; the Dutchmen in particular, it was asserted, brought over "iron, timber, and leather, ready manufactured, and nails, locks, baskets, cupboards, stools

tables, chests, girdles, saddles, and painted cloths." This proved a very serious tumult. Its chief instigator was one John Lincoln, styled a broker, by whom a Dr. Bell, a canon of the Spital, was prevailed upon in the first instance to read from the pulpit at the Spital, upon the Tuesday in Easter week, a bill or written detail of the popular grievances, and to follow up that text with a sermon, well adapted to blow the feelings it had kindled into a blaze. "Coelum celi Domino," he began, " terram autem dedit filiis hominum :"—"the heavens to the Lord of heaven, but the earth he hath given to the children of men." "And then he showed," says the chronicler, " how this land was given to Englishmen ; and, as birds defend their nests, so ought Englishmen to cherish and maintain themselves, and to hurt and grieve aliens, for respect of their commonwealth." It now began to be whispered about that, on the coming 1st of May, there was to be a general massacre of the foreigners ; in terror of which, many of the latter left the city. On this coming to the ears of the council, Wolsey sent for the lord mayor on May-eve, and ordered him to take measures to preserve the peace ; whereupon a meeting of the aldermen was held ; and, about half-past eight, each sent to his ward directing that no man after nine o'clock should stir out of his house, but keep his doors shut, and his servants within, until nine o'clock in the morning. "After this command was given in the evening," proceeds the account, "as Sir John Mundy, alderman, came from his ward, he found two young men in Cheap, playing at the bucklers, and a great many young men looking on them—for the command seemed to be scarcely published. He ordered them to leave off ; and because one of them asked 'Why ?' he would have them sent to the Compter. But the prentices resisted the alderman, taking the young man from him, and cried, 'Prentices ! Prentices ! Clubs ! Clubs !' Then out of every door came clubs and other weapons, so that the alderman was put to flight. Then more people came out of every quarter, and forth came serving-men, watermen, *ourtiers*, and others ; so that by eleven o'clock there were

in Cheap six or seven hundred ; and out of St. Paul's churchyard came about three hundred." Then, while the rioters continued to receive accessions from all quarters, they proceeded to the Compter and Newgate, broke open both prisons, and took out some persons that had been committed for attacks on foreigners during the preceding few days. The mayor and sheriffs to no purpose made proclamation in the king's name ; the mob soon fell from breaking open the prisons to plundering private houses, especially those of foreigners, and seeking for the owners, none of whom however they found, to strike off their heads. But at last, towards three o'clock in the morning, they began to return home, and then about three hundred of them were intercepted by the authorities, and sent to the Tower, Newgate, and the Compters. In the height of the disturbance matters had looked so serious that Sir Roger Cholmeley, the Lieutenant of the Tower, had thought it necessary to fire off several pieces of ordnance against the city, which, however, did not do much damage. A few days after a number of the rioters were brought to trial, and, being found guilty, were condemned to be drawn, hanged, and quartered ; " for execution whereof ten pairs of gallows were set up in divers parts of the city, as at Aldgate, Blanchapleton, Grass-street, Leadenhall, before each of the Compters, at Newgate, St. Martin's, at Aldersgate, and Bishopgate ; and these gallows were set upon wheels, to be removed from street to street, and from door to door, as the prisoners were to be executed." But, in the end, only Lincoln suffered ; he was hanged on the 7th of May at the standard in Cheapside. About a fortnight after a general pardon was granted to the rest by the king, and the citizens were again received into favour ; " though, as it is thought," concludes the chronicler, " not without paying a considerable sum of money to the cardinal [Wolsey] to stand their friend ; for at that time he was in such power that he did all with the king." This day was long remembered in London under the name of " Evil May-day ;" and it is recorded that the ancient Mayings and May games, with the

triumphant setting up of the great shaft in Leadenhall-street before the church of St. Andrew, were never afterwards so commonly used as had been customary before.

In connexion with this affair we may mention an act of parliament, which was passed in 1525 (14 and 15 Hen. VIII. c. 2), for regulating the taking of apprentices by "strangers born out of the king's obeisance using any manner of handicraft within the realm." No such stranger, it was enacted, should in future, under a penalty of 10*l.* for each offence, take any apprentice who was not a native of the country, or should keep any more than two foreign journeymen at the same time. By a subsequent clause, also, all aliens exercising any handicraft in London or the suburbs were placed each under the superintendence—or "the search and reformation," as it is expressed—of the fellowship of his particular craft in the city of London, to which was to be associated for that purpose one alien householder of the same craft, to be chosen by the wardens of the company; and every such foreign artificer, being a smith, joiner, or cooper, was to receive a proper mark from his craft, which he was to stamp upon every article he fabricated. This clause is curious as giving us a list of the places that were then considered to form the suburbs of London; which are enumerated as being, besides the town of Westminster, the parishes of St. Martin's in the Field, of our Lady of the Strand, of St. Clement of Danes without Temple Bar, of St. Giles in the Field, and of St. Andrew's in Holborn, the town and borough of Southwark, Shoreditch, Whitechapel parish, St. John's-street, the parish of Clerkenwell, St. Botolph's parish without Aldgate, St. Catherine's, and Bermondsey-street. Most of these places, all of which are now included within the metropolis, were then separated from the city by fields, gardens, or other open spaces.

Some indications of a disposition on the part of the English to engage in the new branches of foreign trade, which had sprung out of the late nautical discoveries, begin about this time to present themselves. According to Lord Herbert, a proposition was even made, in 1521,

by the Emperor Charles V., to sell to King Henry a right, which he pretended to have as King of Spain, to the Molucca Islands, which, however, came to nothing. The same year, also, this author tells us, the English king “sent out two fair ships to discover new regions, then daily found out by the Portuguese and Spaniard ;” but in this attempt he met with no greater success than his father. It appears, moreover, from a passage in Hakluyt’s Collection, that some merchants of Bristol had now for some years been in the habit of exporting cloth, soap, and other commodities to the Canary Islands, by means of the ships of San Lucar in Spain, and of receiving back by the same conveyance dyeing drugs, sugar, and kid-skins. But the chief branch of the foreign commerce of the country still continued to be the trade with the Netherlands, where, at the great emporium of Antwerp, the English merchants both found purchasers for their native produce and manufactures of all kinds, and were enabled to supply themselves in return with whatever quantities they required of the productions of all parts of the globe. Accordingly, the apprehended interruption of this trade on Henry’s declaration of war against the emperor, in 1528, threatened to derange the whole system of the national industry. “Our merchants,” says Lord Herbert, “(who used not the trade to the many northern and remote countries they now frequent), foreseeing the consequences of these wars, refused to buy the cloths that were brought to Blackwell Hall, in London ; whereupon the clothiers, spinners, and carders, in many shires of England, began to mutiny.” To appease this clamour of the manufacturing population, Wolsey issued his commands to the merchants that they should take the cloths at a reasonable price from the poor men’s hands, with a threat that, if they did not, the king himself should buy them and sell them to foreigners. This procedure may let us into the secret of the means by which, in the quarrel with the government of the Netherlands in the last reign, the merchants of London *were induced, as related in a preceding page, during the three years that the quarrel lasted,* to continue their pur-

chases in the home-market, notwithstanding the stoppage of the usual great vent of exportation. On that occasion the interests of peace were forced to give way to those of war ; but it was different now. "The sullen merchants," Lord Herbert goes on to inform us, little moved with the cardinal's menaces, said they had no reason to buy commodities they knew not how to utter. Propositions were thrown out for the establishment of a new continental mart at Calais or Abbeville ; but the "sullen merchants" would not understand any of these schemes. At last the council, being advised with, told the king "that the resultance of war in the Low Countries could be nothing but a grievance to his subjects, a decay of trade, a diminution of his customs, and addition to the greatness of Francis, who would have the advantage of all that was undertaken in this kind :" on which it was resolved that the war should be suspended for the present. This result shows very strikingly how completely its foreign commerce was now become part of the very life-blood of the nation ; and it should also seem to warrant the inference that the trade with Antwerp had considerably risen in importance within the last thirty years,—the consequence, doubtless, in great part, of the general commercial revolution that had been wrought by the discovery of the new route to the East.

The spirit of mercantile adventure in England, however, was now turning likewise to other quarters, though its excursions out of its accustomed track were still somewhat timid or desultory. Among the notices collected by the industrious Hakluyt are the following :—About 1530 Captain William Hawkins, of Plymouth, made a trading voyage to Guinea for elephants' teeth, &c., and thence proceeded to Brazil, where he also traded. Two years after he is noted to have made another such voyage to Brazil. Trading voyages, both to Brazil and Guinea, became common soon after this date. From about 1511 to 1534 divers tall ships of London, Southampton, and Bristol, carried on an unusually great trade to Sicily, *Candia, and Chio*, and sometimes to Cyprus, to Tripoli, and to Barutti in Syria. Their exports were woollen

calf-skins, &c.; their imports silks, camblets, malmsey, muscadel and other wines, oils, wool, Turkey carpets, galls, and Indian spices. These voyages up the Mediterranean usually did a whole year, and was accounted exceedingly dangerous. Sundry foreign vessels, such as the Ragusans, Sicilians, Genoese, Venetian galley and Spanish and Portuguese ships, were also used by the English merchants in this trade.

Important act of parliament affecting commercial transactions was passed in 1546, the last year of this stat. 37 Hen. VIII. c. 9), which, although entitled "An Act against Usury," in fact repealed all the statutes against lending and borrowing money on interest, and allowed interest to be taken at the rate of six per cent. per annum. The preamble recites that the statutes against usury have "been so obscure and uncertain, words, and terms, and upon the same many doubts, ambiguities, and questions have risen and arisen, and the same acts, statutes, and laws been of no force and effect, that by reason thereof little or no punishment hath ensued to the offenders of the same, her hath encouraged them to use the same." It is certain, indeed, that no law could prevent the taking of interest, which did not put down the lending of money altogether.

Notices that have been preserved relating to the navy of the early part of the sixteenth century may be introduced. The royal navy of England, properly called, takes its rise from the reign of Henry VIII.

At first Henry possessed only one ship of war of 100 tons, the Great Harry; to which a second was added in 1511, captured from the Scottish captain, Andrew Barton, who had built it for King James V., and was then called the Lion, in June, 1511,—an incident which led, two years after, to the war between the two nations, the battle of Flodden, and the death of James IV. In the next year, 1512, Henry built another ship at Deptford, the Regent, weighing 1000 tons, and described as the greatest ship that had yet been seen in Europe. From an indenture drawn up between the

king and his admiral, Sir Edward Howard, for the victualling of the fleet fitted out this year to aid in the war against France, it appears that the Regent was to carry 700 soldiers, mariners, and gunners.* A ship apparently still larger than this, however, is described as having been sent to sea this same year by the Scottish king in a fleet which he equipped for the assistance of France, but which was, in a storm, scattered and destroyed on its way to that country. This Scottish ship, called the Great Michael, the largest that had been built in modern times, was 240 feet in length by 56 in breadth; —dimensions, however, which, in the latter direction especially, were materially diminished by the thickness of the planking, which, that it might be proof against shot, was not less than 10 feet. She carried 35 guns (all on the upper deck), besides 300 smaller pieces of artillery called culverins, double-dogs, &c.; and her complement consisted, besides officers, of 300 seamen, 120 gunners, and 1000 soldiers.† But Henry did not satisfy himself with merely building ships; he laid the necessary foundations for the permanent maintenance of a naval force by the institution of the first Navy Office, with commissioners, or principal officers of the navy, as they were styled, for the superintendence of that particular department of the public service. He also established by royal charter, in the fourth year of his reign, the "Corporation of the Trinity House of Deptford," for examining, licensing, and regulating pilots, and for ordering and directing the erection of beacons and lighthouses, the placing of buoys, &c.; to which he afterwards added subordinate establishments of the same kind at Hull and

* Fœdera, vol. xiii.

† See note on Anderson's Hist. of Commerce, by Macpherson, vol. ii. p. 42, and the authorities there referred to. "She cumbered all Scotland," says Lindsay of Pitscottie, "to put her to the sea; and when she was committit to float, with her masts and sails complete, with tows [ropes] and anchors effeiring [appertaining] thereto, she was counted to the king to forty thousand pounds of expenses by her orders and canmons whilk she bare."

Newcastle. The navy-yards and storehouses at Woolwich and Deptford also owe their origin to this king; who has a very good right, therefore, to the title of the creator of the English navy. Henry's great ship, the Regent, was blown up, with the 700 men on board of her, in a battle fought with the French fleet off Brest, a few months after she put to sea; on which he caused another, still larger, to be built, which he called the Henry Grace de Dieu. Several others were afterwards added, so that, at the close of the reign, the entire navy belonging to the crown amounted to about 12,500 tons. Henry, also, about 1525, erected at a great expense the first pier at Dover; and in 1531 an act of parliament was passed (23 Hen. VIII. c. 8) "for the amending and maintenance" of the havens and ports of Plymouth, Dartmouth, Tintmouth, Falmouth, and Fowey. In the preamble it is asserted that these ports had been, in time past, the principal and most commodious havens within the realm for the preservation of ships resorting from all parts of the world, as well in peril of storms as otherwise; but that, whereas formerly ships of 800 tons might easily enter them at low water, "and there lie in surety, what wind or tempest soever did blow," they were now in a manner utterly decayed and destroyed by means of certain tin-works, called stream-works, which had so choked them up that a ship of 100 tons could "scantly enter at the half-flood." The act, however, did not provide for the "amending" of the harbours further than by prohibiting the working of such stream-works, except under certain specified regulations, for the future.

The latter part of this reign is marked by the commencement of a course of public improvements intimately connected with the internal trade of the country—the reparation of streets and highways. The first act in the Statute-Book on this important subject is the 14 and 15 Hen. VIII. c. 6, passed in 1523, authorising the proprietor of the manor of Hempstead, in the weald of Kent, to enclose an "old common way or street for carriages, and all other passages and business," on laying out another at the least as broad and as commodious in;

different line ; and also, "in consideration that many other common ways in the said weald of Kent be so deep and noyous by wearing and course of water and other occasions, that people cannot have their carriages or passages by horses upon or by the same, but to their great pains, peril, and jeopardy," permitting all other persons that might be so disposed, to lay out new and more commodious roads, by oversight and assent of two justices of peace of the county, and twelve other discreet men inhabiting within the hundred or the hundred adjoining. In 1534, by the 26 Hen. VIII. c. 7, this act was extended to the county of Sussex. About the same time began the paving of the streets of London, the first act for that purpose being the statute 24 Hen. VIII. c. 11, passed in 1532-3, "for paving of the highway between the Strand Cross and Charing Cross,"—that is, the greater part of the line of way now known as the Strand, the Strand Cross having stood at the church of St. Clement Danes. But this road was hardly as yet accounted one of the streets of the metropolis; it was rather a country road leading to the village of Charing, with many houses, indeed, built on both sides of it, but yet with the line of building everywhere broken by fields and gardens. This "common highway" is described in the preamble of the act as "very noyous and foul, and in many places thereof very jeopardous" to all people passing and repassing, "as well on horseback as on foot, both in winter and in summer, by night and by day;" the occasion of which is affirmed to be that "the landlords and owners of all the lands and tenements next adjoining, on both sides of the said common highway, be and have been remiss and negligent, and also refuse and will not make and support the said highway with paving every of them after the portion of his ground adjoining to the same." It appears that the part of the Strand between the church of St. Clement Danes and Temple Bar was already paved ; and the act directs that the owners of lands adjoining to the rest of the road shall *each pave in the same manner the part lying along his lands or tenements as far as to the middle ; which it is*

declared will be "a great comfort," not only to all the king's subjects thereabouts dwelling, but also to all others that way passing and repassing, especially to all persons coming and going between the city and the town of Westminster about the deeds of the laws there kept in the term season. The following year another act (25 Hen. VIII. c. 8) was passed for the repaving of Holborn. This street is described as being the common passage for all carriages carried from west and north-west parts of the realm, and as having been, till of late, so well and substantially paved that people had good and sure passage through it; but now, proceeds the complaint of the inhabitants to the king, recited in the preamble of the act, "for lack of renewing of the said paving by the landlords, which dwell not within the city, the way is so noyous and so full of sloughs and other incumbrances, that oftentimes many of your subjects riding through the said street and way be in jeopardy of hurt, and have almost perished." A similar enactment is thereupon made to that in the statute for paving the Strand; and a general power is given to the mayor and aldermen to see the pavements maintained upon the same principle in all the streets of the city and suburbs, and also of the borough of Southwark. Yet a few years after this, in 1540, we find a new act (the 32 Hen. VIII. c. 17) directing the repavement of part of Holborn and various other streets, which are described as still "very foul and full of pits and sloughs, very perilous and noyous, as well for all the king's subjects through and by them repairing and passing, as well on horseback as on foot, as also with carriage." These streets were—1. The causeway or highway leading from Aldgate to Whitechapel Church: 2. The causeway from the bridge at Holborn Bars "unto the end of High Holborn westwards as far as any habitation or dwelling is on both the sides of the same street:" 3. Chancery-lane, "from the bars besides the Rolls late made and set up by the Lord Privy Seal unto the said highway in Holborn:" 4. Gray's Inn lane, "from Holborn Bars northward as far as any habitation is there:" 5. Shoe-lane: and 6. Fewter (now Fetter)

lane : the two last being described as "thoroughfares and passages from Fleet-street into Holborn within the liberties of the city of London." This appears to have been the first time that Holborn was paved to the west of the city bars ; nor was the street all built on both sides for any considerable way beyond that point till many years later. With regard to the general state of the roads in the country about this date we have little or no information ; but we may be certain that the condition of the best of them, as was the case long afterwards, was wretched enough. It appears, however, from the diplomatic correspondence of the time, that, towards the end of the reign of Henry VIII., letters were conveyed by the government expresses from London to Edinburgh in about four days.

Sebastian Cabot, the discoverer, with his father, of North America, on finding himself neglected by Henry VII., had entered the service of the Spanish government in 1512, but appears to have returned to his native country soon after the death of King Ferdinand in 1516. He is known to have been employed by Henry VIII., in 1517, in conjunction with a Sir Thomas Perte, to make another attempt in quest of a north-west passage, in the course of which he is said to have again reached the latitude of $67\frac{1}{2}$ °, and to have entered Hudson's Bay, and given English names to sundry places on its coasts. These discoveries, however, were soon forgotten, like those which their author had made in the same regions twenty years before ; and Cabot again offered his services to the government of Spain, by which he was for some years employed in various distinguished capacities. He remained abroad till the accession of Edward VI., and then, in 1548, once more made his appearance at the English court, where he was received with much welcome by the young king. In the beginning of the following year Edward bestowed upon him a pension of 250 marks (166*l.* 13*s.* 4*d.*), which he enjoyed during the rest of the reign : and he continued to be consulted in all affairs relating to navigation and trade. In 1553, on the suggestion of Cabot, some merchants of London formed them-

selves into a company, of which he was chosen the governor, for the prosecution of maritime discovery, with a particular view to the anxiously desired passage by the northern seas to China and the other countries of the East. Three vessels were forthwith sent out, under the command of Sir Hugh Willoughby, to whom Cabot gave a paper of remarkably judicious instructions, and King Edward letters addressed to all kings and princes, requesting their friendship. One of the ships is stated to have been sheathed with thin plates of lead, a contrivance which is spoken of as a new invention. Willoughby, after having reached the 72nd degree of north latitude, took refuge for the winter in a harbour in Russian Lapland, where he and the crews of two of his ships, seventy in number, were frozen to death ; but the third ship, commanded by Richard Chancellor, found its way into the White Sea, then entirely unknown to the English, though a correct description of it had been given to Alfred by Ohthere more than 600 years before. Chancellor landed near Archangel, from whence he travelled on sledges to Moscow, and there obtained from the Czar, John Basilowitz, letters for King Edward, and valuable trading privileges for his employers. This was the origin of the English Russia Company, which was incorporated the next year by a charter from Queen Mary, and soon became a very flourishing and important association. Its affairs appear to have continued, at least for three or four years, to be superintended by Cabot, its originator, of whom, however, the last thing recorded is, that in 1557 the half of his pension was given to another person, to whom, at the same time, all his maps and papers were delivered over. He probably died within a year or two after this date.

Cabot's first voyage, in 1497, may possibly have given rise to another branch of trade, which was now carried on to some extent—the cod-fishery of Newfoundland. In 1517 there are said to have been about fifty Spanish, French, and Portuguese ships engaged in this fishery ; *but the first attempt of the English to obtain a share of the trade was not made till 1536.* From an act of par-

liament passed in 1542 (the 33rd Hen. VIII. c. 2), it appears that fish were then commonly imported to England from Newfoundland, or New-land, as it is called in the act, as well as from Iceland, Scotland, the Orkneys, Shetland, and Ireland, and also from the Flemings, the Zealanders, the people of Picardy, and the Normans; from all of whom, however, the act directs that no more fresh fish should be brought, sturgeon, porpoise, and seal excepted, on the alleged ground of many disastrous consequences that followed to the towns by the sea-side in the counties of Kent and Sussex, and to the whole commonwealth, from the fishermen of the said towns abandoning their proper craft, and, instead of filling their boats from their own nets, purchasing the commodity from the fishermen of the opposite coasts. The growing importance of the Newfoundland fishery is attested by an act passed in 1548 (the 2nd and 3rd Edw. VI. c. 6), by which it is enacted, that, whereas for a few years past there had been levied by the officers of the Admiralty, from merchants and fishermen resorting to Iceland, Newfoundland, Ireland, and other places commodious for fishing, "divers great exactions, as sums of money, doles or shares of fish, and other like things, to the great discouragement and hindrance of the same merchants and fishermen, and no little damage to the whole commonweal," all such exactions should henceforth cease.

We are probably to reckon among the religious reforms of the reign of Edward VI., an act which was passed in 1552 (5 and 6 Edw. VI. c. 20), under the title of "A Bill against Usury." In this statute it is declared that the law of the late reign, allowing the taking of interest upon money lent to the amount of ten per cent., "was not meant or intended for maintenance or allowance of usury, as divers persons blinded with inordinate love of themselves have and yet do mistake the same, but rather was made and intended against all sorts and kinds of usury as a thing unlawful; and yet, nevertheless, the same was by the said act permitted for the avoiding of a more ill and inconvenience that before that time was used and exercised." "But, forasmuch," it is

added, “as usury is by the word of God utterly prohibited, as a vice most odious and detestable, as in divers places of the Holy Scripture it is evident to be seen, which thing by no godly teachings and persuasions can sink into the hearts of divers greedy, uncharitable, and covetous persons of this realm, nor yet, by any terrible threatenings of God’s wrath and vengeance, that justly hangeth over this realm for the great and open usury therein daily used and practised, they will forsake such filthy gain and lucre, unless some temporal punishment be provided and ordained in that behalf;” it is enacted that the late statute be “utterly abrogate, void, and repealed,” and that whoever shall henceforth lend any sum of money “for any manner of usury, increase, lucre, gain, or interest, to be had, received, or hoped for,” over and above the sum so lent, shall forfeit the money, and shall besides suffer imprisonment, and make fine and ransom, at the king’s will and pleasure. The subsequent history of this act is very instructive. Like all attempts to force back or turn aside by statute the natural and ordinary course of human transactions, it wholly failed in accomplishing its object; and, like all laws that so aim at effecting what is impracticable, it only added to the evil it was designed to cure. Accordingly, after nearly twenty years’ trial of how it worked, we find the legislature, in 1571, declaring, in a new act (the 13th Eliz. c. 8), that “it hath not done so much good as it was hoped it should, *but rather the vice of usury hath much more exceedingly abounded.*” The new statute, therefore, repeals the said act of Edward VI., and revives the act of Henry VIII., allowing interest at ten per cent. And such continued to be the law throughout the remainder of the present period. Yet, strangely and absurdly enough, this act of 1571 is also entitled “An Act against Usury,” touching the iniquity of which it actually sermonises in the usual phraseology at the very moment of permitting and legalising it. The tenor of the principal enacting clause is as follows:—“And, forasmuch as all usury, being forbidden by the law of God, is sin, and detestable,” be it enacted that all exaction o’

usury or interest, above the rate of ten per cent., shall be punished by the forfeiture of the whole sum so exacted. It would require dexterous casuistry to demonstrate that, if to take interest at eleven per cent. was a detestable sin, to take interest at ten per cent. was allowable. If there was to be a law against usury at all, however, the penalty here denounced against the said detestable sin was certainly not of objectionable severity, even with the addition made by a subsequent clause, that offenders against the act might be further punished and corrected in the spiritual court. But that provision, in fact, merely went to restrain the spiritual court from proceeding against usury when it did not exceed ten per cent., and was really therefore protective, and not penal.

The most important measure that was taken in relation to the foreign trade of the country by the government of Edward VI. was the abolition of the privileges of the Steelyard Company. We have in the two preceding Chapters given an account of the rise and nature of this famous association of the German or Hanseatic merchants resident in England, and have brought down their history to the treaty of Edward IV. with the Hanse Towns, in 1475. Since that date various causes, and especially the new direction given to European commerce by the discovery of the route by sea to India, had very greatly reduced the eminence of that once powerful confederacy. Antwerp had now far distanced Lubeck, and Hamburgh, and Dantzig, in the race of commercial activity and prosperity; other trading associations had arisen in various countries, to share what was once almost the monopoly of the Hanseatic League; and, as order and good government had become everywhere better established, even individual merchants, in many cases, carried on their operations as successfully as any company. In England, however, the Hanse merchants of the Steelyard, from the privileges which they enjoyed under their ancient charters and more recent treaties, continued almost to monopolise certain branches of trade in which they were *exempted from duties payable by other traders, and from their superior combination and capital were even some-*

times enabled to engage in other branches with such advantages as nearly precluded all competition. Thus, on the stoppage of the direct trade with the Netherlands, in 1493, it is recorded that great quantities of Flemish manufactures were still imported into England by the merchants of the Steelyard from their own Hanse towns ; and that this activity of the foreigners, in a trade from which they were themselves excluded, so enraged the native merchants that they incited the London journeymen and apprentices to rise in a tumult, in which they attacked and rifled the warehouses of the obnoxious Germans. In 1505, when Henry VII. granted a charter of incorporation to the Company of Merchant Adventurers of England, whose proper business was described to be to trade in woollen cloth of all kinds to the Netherlands, the merchants of the Steelyard, or Easterlings, as they were called, were expressly prohibited from interfering with that branch of commerce ; and the aldermen or governors of the association were obliged to enter into a recognisance of two thousand marks that none of the members should carry any English cloth to the place of residence of the English Merchant Adventurers in the Low Countries. Disputes between the two rival interests, however, continued to arise from time to time ; and, at last, in 1520, we find King Henry appointing commissioners to treat at Bruges with others to be appointed by the Hanse Towns, concerning the several privileges at any time granted to the Hanseatic League by the king or his predecessors ; for the removal of the abuses, unjust usages, extensions, enlargements, restrictions, and other misinterpretations of their rights with which the Hanseatic merchants in England might be chargeable, and for the conclusion of a new treaty of commerce between England and the said Hanseatic League. What was the issue of this congress does not appear. Meanwhile the Merchant Adventurers, as they grew in wealth and power, became less disposed than ever to tolerate with patience either the irregular encroachments of the foreign company, or even the existence of its *invidious* privileges within their legal limits. The

first movement for the suppression of the Steelyard Company appears to have been made by an application of the Merchant Adventurers to the government about the close of the year 1551. An answer to this information having been given in by the aldermen and merchants of the Steelyard, both statements were put into the hands of the solicitor-general and the recorder of London—upon whose report the council, on the 23rd of February, 1552, resolved that the Steelyard merchants had forfeited their liberties, and should for the future be held to stand in regard to the duties upon their exports and imports upon the same footing with any other strangers. The alleged grounds of this decree, as we gather them partly from King Edward's Journal, partly from other accounts, appear to have been, that the charters of incorporation of the Steelyard Company were contrary to the laws of the realm; that, no particular persons or towns being mentioned in their grants of privileges, it was uncertain to what persons or towns the said privileges extended, by reason of which uncertainty the company admitted to their immunities whosoever they pleased, to the great prejudice of the king's customs and to the common hurt of the realm; that they had been in the habit of colouring the goods of other foreigners, that is, of getting such goods passed through the Custom-house as their own; that the condition had been broken on which their privileges when formerly forfeited had been restored by Edward IV., namely, that English subjects should enjoy the like privileges in Prussia and other Hanseatic parts; that, whereas for a hundred years after the first pretended concession of their privileges, they used to transport no merchandise out of the realm, but only to their own countries, nor import any but from their own countries, they now not only conveyed English merchandise into the Netherlands, but also imported into England the merchandise of all foreign countries; and, lastly—which was no doubt a chief reason, though one rather stronger, it must be confessed, in policy than in law—that, from small beginnings, they had so increased their trade, that *it now constituted almost the entire trade carried on by*

foreigners in the kingdom ;—they began, according to the statement in the king's Journal, by shipping not more than 8 pieces of cloth ; then they sent out 100 ; then 1000 ; then 6000 ; till now there was exported in their name no less a quantity than 44,000 pieces, while no more than 1100 pieces were exported by all other foreigners together. Not much dependence, however, can be placed upon the correctness of these numbers. Other charges made against them, according to some accounts, though not mentioned by the king, were, that having for the last forty-five years had the sole control of the commerce of the kingdom, they had reduced the price of English wool so low as to 1*s.* 6*d.* per stone ; and that they had likewise greatly depressed the home corn-market by the quantities of foreign grain they had imported. In addition to the native mercantile interest, therefore, they had arrayed against them the whole strength of the agricultural interest, including both the corn-grower and the wool-grower. The principal commodities which they were wont to import, besides grain, are stated to have been cordage and other naval stores, flax and hemp, linen cloth, wax, and steel.*

The immediate effect of the abolition of the privileges of the Steelyard merchants is said to have been, that the English Merchant Adventurers the same year shipped off for Flanders no less a quantity than 40,000 pieces of cloth. The abolition of their privileges, however, did not extinguish the community of the Hanse merchants in England. In 1554, after Queen Mary's marriage had established a more intimate connexion with the empire, their privileges were restored, on the request of the ambassadors of the Hanse towns. But it is affirmed, though the fact is not quite certain, that, after a year or two, they were again withdrawn. The Steelyard Company, at all events, seems never to have completely recovered

* See Strype's Eccles. Mem. iii. 77, &c., where are printed the entries respecting the affair of the Steelyard Company, from the Council Book.—Burnet, Hist. Ref. under 1552.—*King Edward's Journal*.—Wheeler's Treatise of Commerce 1601.—Anderson's Hist. of Commerce, ii. 109, &c.

from its sudden unsettlement, as just related ; and, though it continued to subsist as a trading association throughout the greater part of the present period, its circumstances were those of a struggling and gradually declining body, till at last Elizabeth, in the year 1597, took advantage of a mandate issued by the Emperor Rodolph for shutting up all the factories of the English Merchant Adventurers in Germany, to direct the lord-mayor and sheriffs of London to shut up the house occupied by the merchants of the Steelyard, which put an end to the existence of the company. In this proceeding, although the queen made a show of acting on the principle of retaliation, and went through the form of demanding a revocation of the imperial decree before she took the final step in the business, she was very well pleased that her application was rejected, and that she was thus afforded a fair pretext on which to get rid of an association, the services of which, however useful they might have been in earlier times, the country no longer stood in need of. The company of late, indeed, had been only an annoyance and a source of strife : to the last the Hanse merchants, on the one hand, continued to clamour importunately for the renewal of their ancient privileges, while the Merchant Adventurers, on the other, were as incessantly exclaiming against the unfairness of any association of foreign traders being suffered to reside in the kingdom, and to interfere with its commerce at all. The time was certainly now come in which native capital and enterprise were quite vigorous enough to dispense with any foreign aid.

The trade that had been opened with Russia in 1553 was vigorously prosecuted in the reign of Mary, from which sovereign the Russia Company, as already noticed, obtained its charter of incorporation in 1554. By this charter Sebastian Cabot was appointed, during his life, the first governor of the company, which was authorised, to the exclusion of all other English subjects, to trade not only to all parts of the dominions of the Russian emperor, *but to all other regions not already known to English merchants.* The following year two more ships

were sent out, which sailed up the Dwina as far as Vologda, from which port Chancellor, who was in command, proceeded again to Moscow, and there arranged a commercial treaty with the Czar, in which all the usual privileges were accorded to the English traders. In 1556 the company again sent out two ships, which returned the same year, bringing along with them the two that had been frozen up in Lapland in 1553, in one of which was Sir Hugh Willoughby's body. They also brought an ambassador to the King and Queen of England from the Czar; but, the vessel in which he sailed being shipwrecked on the coast of Scotland, he lost nearly the whole of the valuable presents for their majesties of which he was the bearer. The next year four vessels were dispatched, one of which carried back the ambassador, and along with him Mr. Anthony Jenkinson, as agent for the company, the interests of which were afterwards greatly promoted by his exertions. After reaching Russia, Jenkinson set out on a voyage down the Volga to Astracan, from whence he crossed the Caspian Sea to Persia, and made his way to the city of Bokhara, or Boghar, as he calls it, which he found to be the resort of merchants not only from Russia, Persia, and India, but from Cathay or China, from which last country the journey occupied nine months. Jenkinson, whose object was to establish a trade between the company's Russian factories and Persia, returned from this journey in 1560, and, coming home to England the same year, published the first map of Russia that had ever been made.* He is said to have made no fewer than six subsequent voyages to Bokhara by the same route; yet the prospect of the trade which he thus opened to the company, Anderson remarks, "was dropped some few years after, and remained as if it had never been thought of, until the reign of King George II. in 1741, when it was revived by an act of parliament enabling the Russia Company to trade into Persia; upon which considerable quantities of raw silk were brought home by the very same way that

* See Jenkinson's Voyage in Purchas and Hakluyt.

Jenkinson took from Persia to Russia, and from thence to England." "Yet," adds the historian, "the continual troubles and ravages in Persia have since suspended the good effects of this law." In 1566 the Russia Company obtained from the Sophi of Persia immunity from tolls and customs for their merchandise in that kingdom, and full protection for their goods and persons. The same year also their charter was ratified by an act of parliament, said to have been the first English statute which established an exclusive mercantile corporation.* In 1571 Jenkinson went out to Russia with the appointment of ambassador from Queen Elizabeth to the Czar, and succeeded both in obtaining the restoration of the company's privileges, which the Czar had suspended, and in reinstating its affairs, which, from losses and mismanagement, had fallen into great disorder.

The event in the reign of Mary which most affected the foreign commerce of the country was the loss of Calais in 1558. This continental town, which England had held for two hundred and eleven years, however useless, or worse than useless a possession it might be, politically considered, was, as Anderson remarks, "extremely well situated for a staple port, to disperse, in more early times, the wool, lead, and tin, and in later times the woollen manufactures of England, into the inland countries of the Netherlands, France, and Germany." The staple for the above-mentioned articles of native produce was now transferred to Bruges, and helped somewhat to check the decline of that famous emporium, whose ancient grandeur had been for some time fast becoming pale under the overshadowing ascendancy of Antwerp.

We may consider as an indication of the growing internal trade of the country in this reign the passing of the first general statute for the repair of the highways (the 2 and 3 Phil. and Mary, c. 8). This act directs

* Of this act the title only is printed among the Statutes of the Realm:—"An Act for the Corporation of Merchant Adventurers for the Discovery of New Trades."

that two surveyors of the highways shall be annually elected in every parish, as is still done, and that the parishioners shall attend four days in every year for their repair with wains or carts, oxen, horses, or other cattle, and all other necessaries; and also able men with the same, according to the quantity of land occupied by each ; householders, cottagers, and others, not having land, if they be not hired labourers, by themselves or sufficient substitutes giving their personal work or travail. Upon this statute were founded all the highway acts that were subsequently passed before the introduction of tolls or turnpikes in the reign of Charles II. Of these there were six in all passed in the reign of Mary, and about nineteen in that of Elizabeth.

In the course of the long reign of Elizabeth the commerce and navigation of England may be said to have risen through the whole of the space that in the life of a human being would be described as intervening between the close of infancy and commencing manhood. It was the age of the vigorous boyhood and adolescence of the national industry, when, although its ultimate conquests were still afar off, the path that led to them was fairly and in good earnest entered upon, and every step was one of progress and buoyant with hope. In the busier scene, however, that now opens upon us, the crowd of recorded facts is too great to be marshalled within our limited space, and, passing over many things that would properly enter into a complete chronological deduction of our commerce from the point at which we are arrived, we must confine ourselves to a selection of a few of the most indicative particulars.

An act was passed by Elizabeth's first parliament (the stat. 1 Eliz. c. 13) which is remarkable for a liberality of view going far beyond the notions that were clung to by our commercial legislation in much later times. The preamble is a confession of the loss and inconvenience that had already avenged the interference of the legislature with the natural freedom of commerce by the *introduction of the principle of what have been called the navigation laws.* Since the making of those statutes pro-

hibiting the export or import of merchandise by English subjects in any but English ships, "other foreign princes," says this recital, "finding themselves aggrieved with the said several acts, as thinking that the same were made to the hurt and prejudice of their country and navy, have made like penal laws against such as should ship out of their countries in any other vessels than of their several countries and dominions; by reason whereof there hath not only grown great displeasure between the foreign princes and the kings of this realm, but also the merchants have been sore grieved and endamaged." The damage sustained by the merchants of course consisted in the monopoly freights they were obliged to pay for the carriage of their goods, the effect of which was to diminish trade by diminishing consumption, and a share in the pressure of which was borne by every consumer in the kingdom. The law was now so far relaxed that merchandise was allowed to be exported and imported in foreign bottoms upon the payment of aliens' customs; and the two great companies of the Merchant Adventurers and the Merchants of the Staple were further empowered, twice in the year, to export goods from the river Thames in foreign vessels, on payment only of the ordinary duties.

Many particulars respecting the foreign commerce of England at the commencement of the reign of Elizabeth have been preserved by Ludovico Guicciardini (nephew of the great historian of Italy) in his Description of the Netherlands, which was written about this time. The Dutch, he tells us, were wont to import annually to Bruges upwards of 1200 sacks of English wool, worth 250,000 crowns. And "it is marvellous," he adds, "to think of the vast quantity of drapery imported by the English into the Netherlands, being undoubtedly, one year with another, above 200,000 pieces of all kinds, which, at the most moderate rate of 25 crowns per piece, is 5,000,000 of crowns, or 10,000,000 of Dutch guilders (above 1,000,000*l.* sterling); so that these and other merchandise brought to us by the English, and carried *from us to them*, may make the annual amount to be

more than 12,000,000 of crowns, or 24,000,000 of guilders (about 2,400,000*l.* sterling), to the great benefit of both countries, neither of which could possibly, or not without the greatest damage, dispense with this their vast mutual commerce ; of which the merchants on both sides are so sensible, that they have fallen into a way of insuring their merchandise from losses at sea by a joint contribution."* These last words are said to be the earliest notice of marine insurance, which they would seem to imply was first adopted in the trade between the Netherlands and England. The magnitude of that trade, as here described, greatly surpasses any conjectural estimate of its extent which could reasonably have been hazarded from the common notions entertained of the general state of commerce at this date. In fact, if we take into account the difference in the value of money, there is probably no single country, not even the United States of America, with which England in the present day carries on a larger commerce than she appears, from this statement, to have done with the Netherlands nearly three hundred years ago.

Of all the great commercial towns of the Netherlands, Antwerp, as we have already stated, was at this time the most eminent. Exclusive of the French, who, next to the native merchants, were the most numerous class of resident traders, it contained, according to Guicciardini, above a thousand foreigners engaged in commerce, consisting of Spaniards, Portuguese, Italians, Germans, Danes and other Easterlings, and English. His account of the commerce carried on by Antwerp with the British Islands is as follows :—" To England Antwerp sends jewels and precious stones, silver bullion, quicksilver, wrought silks, cloth of gold and silver, gold and silver thread, camblets, grograms, spices, drugs, sugar, cotton, cummin, galls, linens fine and coarse, serges, demi-ostades, tapestry, madder, hops in great quantities, glass, salt-fish, metallic and other mercerizes of all sorts &c

* Translation in Macpherson's Annals of Commerce, *il. 127.*

great value, arms of all kinds, ammunition for war, and household furniture. From England Antwerp receives vast quantities of fine and coarse draperies, fringes and other things of that kind to a great value, the finest wool, excellent saffron in small quantities, a great quantity of lead and tin, sheep and rabbit skins without number, and various other sorts of fine peltry and leather, beer, cheese, and other sorts of provisions in great quantities; also Malmesey wines, which the English import from Candia. To Scotland Antwerp sends but little, as that country is chiefly supplied from England and France: Antwerp, however, sends hither some spicery, sugars, madder, wrought silks, camblets, serges, linen, and mercery; and Scotland sends to Antwerp vast quantities of peltry of many kinds, leather, wool, indifferent cloth, and fine large pearls, though not of quite so good a water as the Oriental ones. To Ireland Antwerp sends much the same commodities and quantities as to Scotland; and Antwerp takes from Ireland skins and leather of divers sorts, some low-priced cloths, and other gross things of little value." This minute, complete, and authentic account of the chief branch of our national commerce must be regarded as one of the most curious and instructive records of the present period.

From other parts of Guicciardini's description of Antwerp, a few additional particulars may be gleaned of interest in the history of English commerce. The English Bourse or Exchange was the place where the merchants of the several nations that were congregated in this great mart used to meet for an hour every morning and evening, to buy and sell all kinds of merchandise, with the assistance of their interpreters and brokers. The English cloths, stuffs, and wool brought to Antwerp were exported thence to Venice, Naples, Milan, Florence, Genoa, and other parts of Italy; English cloths were sent to Germany "as a rare and curious thing, and of high price." Large quantities of the same merchandise also went to Denmark, Norway, Sweden, Eastland, Livonia, and Poland; some to France; and a small portion also to Spain. To the last-mentioned country, indeed, is stated

to have been sent everything produced by human industry and labour ; " to which," says Guicciardini, " the meaner people of Spain have an utter aversion." A considerable quantity of English wool, however, probably still continued to be exported direct from England to Spain, and was there worked up into finer fabrics than the looms of this country could yet produce.

A memorable branch of English commerce is believed to have begun in the year 1562—the detestable African slave-trade. It is related that Mr. John Hawkins—the same who under the name of Sir John Hawkins was afterwards so distinguished as a naval commander—having learned that negroes brought a very good price in Hispaniola, assisted by subscriptions of sundry gentlemen, now fitted out three ships, of which the largest was 120 tons, the smallest only 40, and, proceeding to the coast of Guinea, there made up his cargo with human beings, and sailed with them to Hispaniola, where he sold his Africans and his English goods, and, loading his ships with hides, sugar, ginger, and many pearls, returned home the next year, having made a very prosperous adventure. Other two voyages of the same kind are recorded to have been made by Hawkins, who, in commemoration of his priority over all his countrymen in this line of enterprise, received as an addition to his arms "a demi-moor proper, bound with a cord :" but we do not hear much more of the African slave-trade as carried on by the English, till after the close of the present period.

It was in the year 1566 that the building of the Royal Exchange, in the city of London, was begun by the famous Sir Thomas Gresham, styled the queen's merchant, according to Anderson, " because he had the management of all her remittances, and her other money concerns with foreign states, and with her armies beyond sea." Before this the merchants of London used to meet in Lombard-street, in the open air. Sir Thomas was the son of Sir Richard Gresham, also an eminent *London merchant*, who is said to have been the original author of the project of building an exchange or covered

walk for the merchants of his native capital, similar to what he had seen in Antwerp and other foreign cities, but who died before he could carry his design into execution. His son received a university education, having studied at Caius (or, as it was then called, Gonville) College, Cambridge, but was from the first intended by his father for a commercial life, and accordingly became a member of the Mercers' Company, the same to which Sir Richard himself, and also his brother Sir John Gresham, belonged. Sir Thomas was employed, as his father had been, in negotiating foreign loans, and managing other money transactions, by Edward VI., and enjoyed the distinguished favour both of that king and of his successors, Queen Mary and Queen Elizabeth, from the latter of whom he received his knighthood in 1559. Ten years after, by his advice, the experiment was first tried of raising a loan for the crown at home, instead of resorting, as had always hitherto been done, to foreign capitalists; and from that time the new plan continued usually to be followed, to the great advantage both of the crown and of the public. Sir Thomas proposed to the lord mayor and citizens of London to erect a commodious building for the merchants to meet in, at his own charge, provided they would find him a site; and, his offer being at once accepted, a piece of ground, then covered with three streets, called New-alley, Swan-alley, and St. Christopher's-alley, was purchased for 353*l.*. The houses, it is related, about eighty in number, being cried by a bellman, and sold to persons who agreed to take them down and carry away the materials, brought the sum of 478*l.*; after which the ground was levelled at the charge of the city, and possession of it given by the lord mayor and aldermen to Gresham, who laid the first stone of the new building on the 7th of June, 1566; and by November of the following year the edifice, which was of brick, was covered with a roof of slate. It was at first called the *Bourse* or *Burse*; but in 1570, soon after it was finished, as Holinshed tell us, "the three-and-twentieth of January, the queen's majesty, accompanied with her nobility, came from her house at the Strand,

called Somerset Place, and entered the city of London by Temple Bar, Fleet-street, Cheap, and so, by the north side of the Burse, to Sir Thomas Gresham's, in Bishopsgate-street, where she dined : after dinner her grace returned through Cornhill, entered the Burse on the south side, and, after her highness had viewed every part thereof aboveground, especially the Pawn, which was richly furnished with all sorts of the finest wares in the city, she caused the same Burse, by an herald and a trumpet, to be proclaimed the Royal Exchange, so to be called from thenceforth, and not otherwise." Gresham, by his will, devised the Exchange which he had thus erected in equal shares to the corporation of London and to the Mercers' Company, and so the property continues to be held to the present day. The original building, a quadrangular arcade surrounding an open court, with galleries above containing shops, &c., perished in the great fire of 1666 ; after which the stone building on a more extensive scale, that was a few years ago burnt down, was erected by the city and the Mercers' Company, at a cost of 80,000*l.* Sir Thomas Gresham, who died in 1579, and who, as we have seen, was a scholar as well as a merchant, is also illustrious as the founder of the civic college known by his name, originally established in his house in Bishopsgate-street, which stood where the Excise Office now stands.

In 1567 the series of voyages of discovery, chiefly undertaken in pursuit of a new passage to India, which illustrates the reign of Elizabeth, commenced with the first voyage of Martin Frobisher, who entered upon his adventurous expedition with two barks of only twenty-five tons each, and a pinnace of ten tons ; in the fitting out of which he was assisted by several persons of rank, and especially by Ambrose Dudley, Earl of Warwick (elder brother of Leicester). The government, however, and Queen Elizabeth herself, also took a warm interest in the expedition, upon which the sanguine and intrepid commander is said to have set out with a determination either to discover the north-west passage, or to perish in the attempt. Frobisher and his companions

sailed from Deptford on the 8th of June; the queen, who was then at Greenwich, looking on from a window of the palace as they passed by, and waving her hand to them by way of expressing her good wishes and bidding them farewell. Proceeding along the eastern coast, they reached Fara, one of the Shetland Islands, from whence they directed their course westward till they came within sight of the coast of Greenland, upon which, however, they were not able to effect a landing. After this Frobisher entered the strait leading to Hudson's Bay which still bears his name, and landed on some of the adjacent coasts, which he took possession of for the English crown. The loss of some of his men, however, now made him resolve to return home; and, after encountering a terrible storm, he arrived at Harwich on the 2nd of October. A circumstance that happened some years after the return of this expedition suddenly produced a general excitement respecting it, much greater than had been awakened by the geographical discoveries in which it had resulted. Among other specimens of the produce of the lands he had added to the queen's dominions, Frobisher had brought home with him a piece of heavy black stone, a fragment of which the wife of a person into whose hands it had fallen threw into the fire, when, being taken out again, and quenched in vinegar, it glittered like gold, and, it is said, was afterwards, upon being fused, actually found to contain a portion of that metal. As soon as this was known numbers of people eagerly offered their subscriptions to enable Frobisher to proceed on a second expedition; the queen herself placing at his disposal one of the ships of the royal navy, of two hundred tons burden. With this, and two barks of about thirty tons each, he again set out from Harwich on the 31st of May, 1577. This time no further attempt was made to penetrate to India: the adventurers had been expressly commanded to make the collection of gold-ore their only object; and, accordingly, after having reached Frobisher's Strait, as before, and found a quantity of the black stone on some of the islands where they landed, they prepared to return to England,

which they reached in the end of September. Commissioners were now appointed by the queen to report on the whole affair; and, although it does not appear that anything could be got out of the pieces of black stone, it was still deemed expedient that another expedition should be sent out, either to make search for more genuine specimens of gold ore, or at least to prosecute the pursuit of the north-west passage, of which the discovery of Frobisher's Strait had appeared to open a prospect. Accordingly, on the 31st of May, 1578, Frobisher again sailed from Harwich with twelve ships in addition to the three he had commanded on his last voyage, that he might bring or send home an abundant importation of the black ore. This attempt, however, proved wholly unsuccessful; it was only after having been carried far out of their course by storms and currents that about half the number of the ships at last reached the mouth of the strait, when the season was too far advanced for a longer continuance in these inclement regions; so that, having collected as much of the black stone as he could find, Frobisher, without having added anything to his former discoveries, again set sail for England, which he reached about the beginning of October. It is unnecessary to say that the supposed ore appears to have only proved another exemplification of the truth of the old remark—that all is not gold that glitters. To Frobisher, however, geography owes the first penetration into these Polar seas, and the discovery both of the strait that bears his name, and of various islands, sounds, and points within and around it. Frobisher was afterwards employed in other naval commands, and was one of the chief captains of the fleet fitted out against the Spanish Armada; after one of the engagements with which his valour was recompensed by the lord high admiral with the honour of knighthood. He died in 1594 of a wound which he received in an attack upon a fort near Brest, which was held by a party of leaguers and Spaniards against Henry IV. of France, to whose assistance he had been sent with four men-of-war.

At the same time that Frobisher was engaged in his third and last expedition of discovery in the seas to the north of the American continent, the celebrated Francis Drake was performing the second circumnavigation of the globe; the first having been accomplished more than half a century before by the Portuguese navigator Fernando de Magalhanes, the discoverer of the strait which still bears his name. We need not advert here to the political circumstances in which Drake's enterprise originated; there is little doubt that it had the secret sanction of Elizabeth, although its primary object was to attack the possessions and plunder the ships of the Spaniards, with whom this country was then at peace. The vessels employed were the property of private individuals, friends of Drake; they were five in number, the largest, the Pelican, in which the commander of the expedition sailed, being of a hundred tons burden; the smallest, a pinnace of fifteen tons; and, including several gentlemen, the younger sons of noble families, the entire number of persons whom they carried was only one hundred and sixty-four. The little fleet sailed from Plymouth on the 15th of November, 1577. After making the coast of Brazil and entering the Rio de la Plata, Drake's ship and two others had passed through the Strait of Magelhanes, or Magellan, by the beginning of September, 1578. The southern coast of Tierra del Fuego was afterwards discovered by Drake, who then ran up along the western coast of America, as far as to latitude 48° north, collecting, at the same time, immense booty by a succession of exploits against the Spaniards, the relation of which does not belong to our present subject. Drake was the first navigator who had ever advanced to nearly so high a latitude along the North American coast. He afterwards sailed across the Pacific to the Molucca Islands and Java, and, steering thence for the Cape of Good Hope, finished his voyage round the world by returning to Plymouth, which he reached on Monday the 26th of September, 1580, after an absence of nearly two years and ten months. "The queen," says Camden, "received him graciously, and

laid up the treasure he brought by way of sequestration, that it might be forthcoming if the Spaniard should demand it. His ship she caused to be drawn up in a little creek near Deptford, upon the Thames, as a monument of his so lucky sailing round the world, where the carcass thereof is yet to be seen. And, having, as it were, consecrated it as a memorial with great ceremony, she was banqueted in it, and conferred on Drake the honour of knighthood. At this time a bridge of planks, by which they came aboard the ship, sunk under the crowd of people, and fell down with an hundred men upon it, who, notwithstanding, had none of them any harm. So that that ship may seem to have been built under a lucky planet." Drake's ship was preserved at Deptford till it was quite decayed; and at last, when it was broken up, a chair was made of one of the planks, and presented to the University of Oxford. As for the treasure brought home by the great navigator, it is probable that, although a considerable sum was afterwards paid out of it in satisfaction of claims made in the name of some Spanish merchants, the greater part of it was divided among the captors. Camden goes on to tell us that, although the common people admired and highly commended Drake, as judging it no less honourable to have enlarged the bounds of the name and glory than of the empire of their country, yet "nothing troubled him more than that some of the chief men at court refused to accept the gold which he offered them as gotten by piracy." The queen, however, stood firmly by him, and, when Mendoza, the Spanish ambassador, complained in passionate terms of his having so much as dared to sail in the Indian Sea, she boldly replied, that she understood not why her subjects, or those of any other prince, should be debarred from the Indies (that is, the Americas), to which she could not admit that the Spaniard had any just title, either by the Bishop of Rome's donation or by any other claim. She maintained that no imaginary right of property, asserted either by the Spaniards or the Portuguese, could hinder other princes from trading to those countries, and, without any breach of the law of nations.

from transporting colonies into such parts of them as were not already settled. Nor, she concluded, could she or any other prince be with any reason prevented from freely navigating that vast ocean, seeing the use of the sea and air is common to all ; "neither can a title to the ocean belong to any people or private persons, forasmuch as neither nature nor public use and custom permitteth any possession thereof." This high tone, never before so distinctly taken by the English government, and never afterwards lowered, was mainly inspired by Drake's brilliant exploits.

The next voyages of discovery that fall to be mentioned after Drake's circumnavigation are the three made by John Davis in quest of a north-west passage : the first in 1585, in which he sailed as far north as the 73rd degree of latitude, and discovered the strait to which he has left his name ; the second in 1586, in which he made the attempt to penetrate to the Pacific at a point farther to the south ; the third in 1587, in which he again ascended the strait he had discovered two years before, with no better success than at first. In these attempts Davis was encouraged and assisted, not only by several members of the mercantile community, but by Burleigh, Walsingham, and others of the queen's ministers and the nobility.

Meanwhile another voyage round the world was performed by another Englishman, Mr. Thomas Cavendish, the son of a gentleman of property in Suffolk, who sailed from Plymouth with three vessels on the 21st of July, 1586, and, after a course both of navigation and of hostilities against the Spaniards strongly resembling that pursued by Drake, finished his circumnavigation by returning to the same port on the 9th of September, 1588, having thus been absent little more than two years and one month. This voyage, however, was not productive of any geographical discoveries of importance, though it corrected some of the statements of preceding navigators. In a second South-Sea voyage, undertaken by Cavendish in 1591, Captain John Davis, mentioned above, who commanded one of the ships, had the fortune to discover

the Falkland Islands.* Other South-Sea voyages, made by Andrew Merrick in 1589, and by Sir Richard Hawkins in 1593, added little or nothing to geographical knowledge ; and the same may be said of the voyage for the discovery of a north-west passage, undertaken in 1602, by Captain George Weymouth, at the joint expense of the Russia and Turkey companies.

By this time, also, a direct commercial intercourse with India had been opened by the English. In 1581 a number of eminent merchants were incorporated into a company for trading to Turkey, to which country the charter declared that they had, at their own great costs and charges, found out and opened a trade "not heretofore in the memory of any man now living known to be commonly used and frequented by way of merchandise." Wishing to engage in the trade to India, this company, in 1583, dispatched Messrs. Newbury and Fitch to Tripoli in Syria, from which they proceeded to Bagdad, and thence down the Tigris and the Persian Gulf to Ormus, where they embarked for Goa. Newbury died in India, but Fitch, after having visited Agra, Bengal, Pegu, Ceylon, and Cochin, returning by Goa, Ormus, and Aleppo, arrived again in England in April, 1591. A trade, however, carried on by this overland route, could never have enabled the English merchants to compete with their Portuguese rivals ; and before Fitch's return this had come to be generally felt. It appears that, in 1589, a petition was presented to the queen from sundry merchants, requesting permission to make a trading adventure to India by sea. On the 10th of April, 1591, nearly at the very moment at which Fitch made his reappearance, three ships, fitted out by the chief members of the Turkey Company, sailed from Plymouth for the Cape of Good Hope, one of which, commanded by Captain Lancaster, after suffering many disasters, reached India, and took in a cargo of pepper and other spices at Sumatra and Ceylon. But, having afterwards set out for the West Indies, Lancaster there lost his ship,

* See Burney's *Discoveries in the South Sea*, vol. ii. p. 103

and was left with his crew on the uninhabited island of Mona, near Hispaniola, from which he was brought home to Europe by a French vessel in May, 1594, after having been absent about three years and two months. Three other ships, sent out for India and China in 1596 by Sir Robert Dudley and some other London merchants, were still more unfortunate. Meanwhile the war with Spain and Portugal had cut off the usual supply of Oriental productions by the medium of the latter country, in consequence of which the price of pepper is said to have been raised from three to eight shillings per pound, and the prices of other commodities in the same proportion, none being to be had except from the Dutch, who had gone into the India trade in 1595, and were already carrying it on with great success. In 1599 the merchants of the Turkey Company made another attempt to establish a land trade with India by dispatching a Mr. Milldenhall to the court of the Great Mogul at Agra; but he did not reach that capital till the year 1603, and, although he afterwards obtained important commercial privileges for the company from the Mohammedan emperor, his proceedings do not belong to the history of the present period. In the mean time the scheme of an East India trade, to be carried on by sea, and independently of the Turkey Company, had at last been taken up with effect. On the 22nd of September, 1599, the lord mayor, aldermen, and principal merchants of London, to the number of about a hundred, assembled at Founders' Hall, and united themselves into an association for trading to India, for which purpose they subscribed on the spot a capital of above 30,000*l.* At a subsequent meeting they drew up a petition to the privy council, in which they represented that, stimulated by the success which had attended the voyages to the East Indies already made by the Dutch, who were then fitting out another voyage, for which they had bought ships in England, the associated merchants had resolved upon making a voyage of adventure of the same kind, and for that purpose entreated *that her majesty would grant them letters patent of incorporation, succession, &c.,* seeing that the proposed trade,

being so remote, could not be managed but by a joint and united stock. This movement led, after a delay occasioned by the prospect of a peace with Spain, to the grant by the queen, on the 31st of December, 1600, of a charter to a great number of gentlemen therein named, constituting them one body corporate and politic, by the name of "The Governor and Company of the Merchants of London trading into the East Indies;" Mr. Thomas Smith, alderman of London, one of the leading members of the Turkey Company, being appointed the first governor. The charter, among other privileges, conferred the exclusive right of trading, for fifteen years, to all parts of Asia, Africa, and America, beyond the Cape of Good Hope eastward as far as to the Strait of Magellan, excepting such countries or ports as might be in the actual possession of any Christian prince in amity with the queen. The new company lost no time in sending out their first adventure. Four ships, the best that could be found in England, although the largest was only of six hundred tons burden, the smallest of not more than two hundred and forty tons, and carrying in all four hundred and eighty men, having been put under the command of Lancaster, who was styled Admiral of the little fleet, and was invested by the queen with the power of exercising martial law, dropped down from Woolwich on the 13th of February, 1601, but did not take their departure from Torbay till the 22nd of April, and did not reach Acheen, in Sumatra, till the 5th of June in the following year. In consequence of the time thus lost Lancaster did not return home till after the death of Elizabeth, so that the history of all but the mere opening of the commerce of the English with India belongs to the next period.*

A beginning was also made in the latter part of the present reign in the attempt to effect settlements in some of the newly discovered parts of the earth, although the proper foundation of the colonial empire of England must be referred to a later date. In 1576 Sir Humphrey

* *Macpherson's History of the European Commerce with India, 4to. 1812, pp. 72—82.*

Gilbert (half-brother of Sir Walter Raleigh) had published a treatise on the subject of the north-west passage, and, two years after, had obtained a patent, empowering him to occupy and colonise such parts of the North American continent as were not already in the possession of any of the queen's allies. Gilbert, accordingly, accompanied by Raleigh, made an attempt the same year to carry his project into execution ; but he had not long put out to sea when he was obliged to return with the loss of one of his best ships. No better success attended a second attempt of the two brothers in 1583 : after having reached Newfoundland, Gilbert, who has been called "the father of our plantations," perished with his ship in a storm on his voyage home ; and, of four other vessels of which the expedition consisted, only one reached England. The next year, however, Raleigh, not discouraged by this disastrous failure, having obtained letters patent from the queen, granting to him all such countries as he should discover in full property, with the reservation only to the crown of a fifth part of the gold or silver ore that might be found in them, again fitted out two ships, and dispatched them to the North American coast, with directions to take a more southerly course than that which had been followed by Gilbert. The result of this voyage was the discovery of the part of the American continent which Elizabeth honoured, in allusion to herself, with the name of Virginia.* Raleigh's patent was now confirmed by act of parliament, and, early in 1585, he sent out another fleet of seven vessels, under the conduct of his relative, Sir Richard Grenville, a most distinguished person, alike as a seaman and as a soldier, to take complete possession of and effect a settlement on the newly acquired territory. Grenville actually left a colony of one hundred and eight men on the island of Roanoak, adjacent to the coast of Virginia ; but scarcely had the ships that brought them out taken their departure when the settlers became involved in hostilities with the natives, in consequence of which they were

* *Virginia* originally comprehended both the present state of that name and the adjoining country of North Carolina.

glad to embark in the fleet of Sir Francis Drake, who chanced to touch at the place on his return from another expedition against the Spanish possessions, and who brought them home to England about the end of July, 1586.* Within a fortnight after they had sailed, Grenville arrived with three ships laden with all necessaries, which Raleigh had dispatched for their use, and, finding them gone, he left fifteen men in the place with provisions for two years. When the next year Raleigh sent out three more vessels, with a governor, Mr. John White, and twelve assistants, to whom he gave a charter, incorporating them by the name of the Governor and Assistants of the City of Raleigh in Virginia, no remains of these unhappy settlers were to be found, except their bones scattered on the beach : they had all been put to death by the savages. An attempt was made by White and his companions to repair the buildings which had been laid in ruins ; but new hostilities with the natives, and dissensions among the settlers themselves, soon arose, and the governor eventually determined upon returning for further supplies to England, where he arrived in the beginning of November. At this moment the public mind in England was occupied with one object—the grand Spanish armament that was already afloat for the invasion of the kingdom ; Raleigh himself was busy among the foremost in devising the necessary arrangements for the national defence ; he found means, in the first instance, to send back White with supplies in two

* “These men,” says Camden, “who were thus brought back, were the first that I know of that brought into England that Indian plant which they call *tabacca* and *nicotia*, or tobacco, which they used against crudities, being taught it by the Indians. Certainly from that time forward it began to grow into great request, and to be sold at a high rate, whilst in a short time many men everywhere, some for wantonness, some for health sake; with insatiable desire and greediness, sucked in the stinking smoke thereof through an earthen pipe, which presently they blew out again at *their nostrils*; insomuch that tobacco-shops are now as ordinary in most towns as tap-houses and taverns.”

vessels, which, however, were attacked by a Spanish privateer, and so much disabled as to be incapable of proceeding on their voyage; but after this no further attempt was made to relieve the unhappy colonists of Virginia, who, men, women, and children, to the number of nearly a hundred and twenty, that had been left by White, must all speedily have perished of want if they were not destroyed by the tomahawks of the barbarous aborigines upon whose wilderness they had intruded. And thus terminated the work of colonization as prosecuted by the English in the reign of Elizabeth.

We will now add a few notices respecting the navy and commercial shipping of the kingdom in this reign. Very soon after she came to the throne, Camden tells us, "this wise and careful princess, in order to prevent any hostile attempts, and secure herself and her subjects in the fruition of a settled peace, though her treasure ran low, yet began to stock her armoury with all necessary ammunition, expending a vast sum for arms in Germany, because those she bought up at Antwerp were stopped by the Spaniard." She also, he adds, caused a great number of iron and brass pieces to be cast; and in this she was aided by the discovery both of great abundance of calamine, or zinc, in different parts of England, and of a vein of copper near Keswick, in Cumberland, so rich that it afforded a sufficient supply not only for the home demand, but for exportation. She likewise introduced the manufacture of gunpowder, and made the military service popular by raising the pay of the soldiers. Further, the historian goes on, "she rigged out her fleet with all manner of tackling and ammunition, so that it may be allowed to have been the best equipped navy that was ever set out by the English. For the defence whereof she built a castle on the banks of the Medway near Upnore, the usual harbour for the fleet, and augmented the sailors' and mariners' pay; so that she was justly styled by strangers the Restorer of the Naval Glory, and the Queen of the North Seas. Neither had she occasion to hire ships from Hamburgh, Lubeck, Dantzic, Genoa, and Venice, which was her predecessor's

case. The wealthier inhabitants of the sea-coasts did likewise follow the queen's example in building ships of war with all imaginable cheerfulness, insomuch that in a little time the queen's fleet, in conjunction with her subjects' shipping, was so potent that it was able to furnish out twenty thousand fighting men for sea service." The ships thus built by private individuals were of course merchant-ships, though liable to be pressed into the public service in cases of emergency. In 1572 it is stated that the entire navy of England consisted of 146 vessels of all sizes, of which 1 carried a hundred guns, 9 from eighty-eight to sixty, 49 from fifty-eight to forty, 58 from thirty-eight to twenty, and the remaining 29 from eighteen to six.* Of these, however, only 13 belonged to the crown; the rest consisted of the mercantile shipping of the country, which was still esteemed the principal part of its maritime force. In the year 1582 the English merchantmen are said to have been 135 in number, many of them being of 500 tons burthen. The fleet equipped to encounter the Spanish Armada, in 1588, consisted, according to the most authentic account, of 117 ships, having on board 11,120 men.† Of these vessels eighteen are stated to have been merchant adventurers from the river Thames, but of the rest by far the greater number must have been merchantmen hired or pressed for the occasion. Another account makes the entire number of ships to have been 181; namely, 34 men-of-war, of which five were from 800 to 1100 tons burthen each; the 18 private adventurers; 33 furnished by the city of London; 43 hired ships; and 53 coasters, sent by various sea-ports.‡ These last seem to be omitted in the other enumeration. According to a work published in the latter part of the seventeenth century, the writer of which appears to have derived much of his information from Pepys, the then Secretary of the Admi-

* Burchet's History of Transactions at Sea, as quoted by Anderson.

† Original List in the State Paper Office, as quoted in Tytler's Life of Raleigh, p. 84.

‡ Burghley, State Papers, ii. 615, &c.

particulars that have been preserved relating to the commerce of Scotland during the present period. In the early part of the period commercial legislation in that country was directed by the same spirit and to the same objects as in England. Thus, among the acts passed by the first parliament of James IV., in 1488, was one enforcing the importation of a certain quantity of money by every merchant exporting Scottish commodities : wool, cloth, salmon, and herrings are the descriptions of native produce and manufactures that are specified as being wont to be sent abroad. At this time the general tendency of the laws that were made was rather to check than encourage foreign trade. This same parliament, by another act, prohibited vessels coming from abroad, whether foreign or belonging to the country, from putting in at any other ports than those of what are called the free burghs, of which Dunbarton, Irvine, Wigton, Kirkcudbright, and Renfrew—all in the western part of the country—are mentioned as the chief; and further made it illegal for foreigners to carry on any trade whatever except at the said burghs. Foreign merchants were also expressly prohibited from buying any fish in Scotland till they were salted and barrelled. The navy of Scotland at this time appears to have consisted of only two vessels, the Flower and the Yellow Carvel. "They were adapted," observes Macpherson, "chiefly for war, being well provided with guns, crossbows, lime-pots, fire-balls, two-handed swords, and also with good seamen, under the command of Sir Andrew Wood, a brave and experienced officer; but I cannot venture to affirm whether they belonged to the public or were Wood's own private property." In the course of his reign, however, James made great efforts to raise the maritime power of his kingdom; and we afterwards find the list of his distinguished naval commanders increased by the names of the two Bartons (father and son), Alexander Mathisson, William Merrimouth of Leith, styled King of the Sea, and others. The ships in which these adventurers sailed, however, appear to have been for the most part their own property. A later writer has drawn

a glowing picture of the naval eminence to which their exertions and the fostering patronage of the king raised their country : “ They were encouraged to extend their voyages, to arm their trading vessels, to purchase foreign ships of war, to import cannon, and to superintend the building of ships of force at home. In these cases the monarch not only took an interest, but studied the subject with his usual enthusiasm, and personally superintended every detail. He conversed with his mariners,—rewarded the most skilful and assiduous by presents,—visited familiarly at the houses of his principal merchants and sea-officers,—practised with his artillermen, often discharging and pointing the guns,—and delighted in embarking on short voyages of experiment, in which, under the tuition of Wood or the Bartons, he became acquainted with the practical parts of navigation. The consequences of such conduct were highly favourable to him : he became as popular with his sailors as he was beloved by his nobility ; his fame was carried by them to foreign countries ; shipwrights, cannon-founders, and foreign artisans of every description, flocked to his court, from France, Italy, and the Low Countries.”* The Statute-book shows the anxiety evinced by the legislature in this reign for the encouragement of one great branch of maritime enterprise and industry. An act of 1493 directs that ships and busses should be built in all sea-ports for the fishery, none of which were to be under twenty tons burden ; that they should be provided with nets and other necessary implements ; and that the magistrates of the said towns should compel all idle persons to serve in them. Another act of 1499, entitled ‘Anent [concerning] the great innumerable riches that is tint [lost] in fault of ships and busses,’ renews the same regulations. Other enactments, however, prompted by the prevalent jealousy of foreigners, tended to check the extension of the fishing-trade fully as much as these did to force it. Thus, in 1540, the parliament altogether prohibited the sending of white fish beyond sea, declaring

* Tytler, Hist. Scot. v. 7.

that strangers should only be permitted to come and buy them of merchants and freemen of burghs with ready gold and silver, or merchandise ; and an act of the four parliament of James VI. enjoined all fishers of herring or other white fish, to bring their fish to free ports, there to be sold, first in common to all subjects, and afterward the remainder to freemen, that the king's own subject might be first served, and that, if abundance remained, they might be salted and exported by free burgesses. Here we have the spirit of the mercantile and that of the corporation system in operation at the same time—the exclusion of the foreign in favour of the native producer or capitalist, and of the non-freeman in favour of the burgess. The interest of the general class of consumers was as little thought of as if no such class had existed.

The Danish historians record that in 1510, when Denmark was invaded by a squadron from Lubeck, King John provided a fleet for himself by purchasing ships, at a great expense, from his allies, the English, French, and Scots, all of which nations, it is stated, had then many vessels in the Baltic. But the most considerable Scottish fleet of the earlier part of the sixteenth century of which we have an account is that which is stated to have been fitted out by James V., in 1540, for an expedition to the islands on the north-west coast of his kingdom. It consisted of twelve stout ships, with which the king himself, attended by several of his chief nobility and a military force (Lord Herbert says that the vessels, which he makes fifteen in number, carried two thousand men), landed in all the principal islands, and, carrying away with him the chiefs as hostages for the obedience and orderly behaviour of their clans, in that way, for the first time, reduced those dependencies under real subjection to the Scottish crown. On this occasion James carried with him an excellent navigator and hydrographer, named Alexander Lindsay, who drew from his observations in this voyage the first known chart of Scotland and the adjacent islands—a work that has been repeatedly engraved, and is not only very accurate for

that age, but much superior to some drawn at a later date.*

Veer, otherwise called Campvere, or Terveer, in Zealand, had now become the Scottish staple in the Netherlands, and Ludovico Guicciardini states that it owed its principal commerce to that circumstance. The principal foreign trade of Scotland, as of England, was, during the whole of this period, with the Netherlands. The office of Conservator of the nation's mercantile privileges in that country is mentioned in an act of parliament passed in one of the first years of the sixteenth century, and is thought to be of still earlier origin; an act of 1579 imposes a payment of 10*l.* Flemish (about 6*l.* sterling) as entrance-money upon every person becoming a member of the association of merchants trading to the Netherlands; and another act of the same year (repeated in 1597) confiscates all the goods of non-freemen trading thither, two-thirds to go to the crown, and the remaining third to the conservator. This office, which was similar to that of a foreign consul, was preserved, it may be added, down almost to our own times. In the latter years of the sixteenth century mention is made of Scottish ships trading both to the Azores and the Canaries. Wine was probably the principal commodity which they brought from those islands.

The commercial legislation of the northern kingdom continued to be of the same restrictive character as ever to the end of the present period. In 1579 the exportation of coals and of salted meat was strictly prohibited. In 1581 and 1582 certain sumptuary regulations were promulgated by the parliament for the avowed purpose of putting down or diminishing the use of foreign commodities, in the notion that thereby home manufactures would be encouraged and the poor better employed. All persons, not being dukes, earls, lords of parliament, knights, or landed gentlemen possessed of at least 2000*l.* of yearly rent (that is, 250*l.* sterling), were prohibited, under heavy fines, from wearing in their clothing or lin-

* Note by Macpherson, in Annals of Commerce, vol. ii. p. 86.

ing any cloth of gold or silver, velvet, satin, damask, taffeties, fringes, passments (a kind of lace), or embroidery of gold, silver, or silk ; or (with the exception of certain officers and magistrates) any lawn, cambric, or woollen cloth made in foreign parts ; and all persons under the above-mentioned degrees were also forbidden the use of confections, foreign drugs, and costly spices, which, it is affirmed, were wont to be lavishly used at weddings, christenings, and other banquets, by persons of low estate. At the same time the exportation of wool was absolutely prohibited. The admission of representatives of shires and burghs to seats in the Scottish parliament, which took place in 1587, was soon followed by the enactment of various laws for confining both trade and manufactures, as far as possible, to the freemen of burghs—with so quick an instinct did the new class that had thus obtained a share in the legislature proceed to turn the power they had secured to account in the promotion of their own interests or selfish views ! Towards the close of the present period, however, we begin to perceive symptoms of the relaxation or giving way of the old legislation against foreign commerce, as it may be correctly designated. In 1597 the parliament, while it renewed the prohibition against the exportation of wool, found itself obliged to allow the bringing over of craftsmen from foreign parts to work it up ; and, while it laid a duty of five per cent. upon all cloth and other merchandise imported from abroad, it permitted peers, barons, and freeholders both to send their own goods beyond sea without paying custom, and also to import wines, cloths, and other furniture, duty free, provided they did so, not for merchandise, but for their own particular use. This was a permission which we may be sure would be taken advantage of to introduce foreign commodities into the country to a much greater extent than the act professed to contemplate. Another of the acts of the parliament of this year, however, absolutely prohibited the importation into the country of English woollens, which, it was pleased to say, had, for the most part, *only* an outward show, and were wanting in that

substance and strength which oft-times they appeared to have, besides being one of the chief causes of the transportation of gold and silver out of the realm.

The legal interest of money in Scotland was fixed in 1536 at ten per cent., or at five bolls of victual for 10*l.* by the year. The average price of five bolls of victual, that is, probably, oats, was therefore 10*l.*, or about 25*s.* sterling. In other words, oats at this time sold in Scotland for about 5*s.* per boll, which would be about 6*s. 8d.* per quarter.

The history of the Coinage in England for the greater part of the present period exhibits a continuation of the process of depreciation which had been going on throughout the preceding century, with the introduction of a new mode of debasement still more ruinous.

Henry VII. preserved the same standard which had been fixed by Edward IV. in 1464 and adhered to by Richard III., the pound of silver being still coined into 450 pennies, or thirty-seven nominal shillings and six-pence. Shillings, which had hitherto been only money of account, were first struck by this king in 1504 ; they were at first called, also, large groats, and afterwards testoons, the latter name (from the French *teste* or *tête*, a head) being given to them from the royal image being stamped upon them in the unusual form of a profile instead of a full face. "This silver money of Henry VII. with the half face," says Leake, "differs therein from all his predecessors after King Stephen ; and in this his successors followed his example, for we have none afterwards with the full face but the bad money of Henry VIII. and the good of Edward VI. He was the first, likewise, except Henry III., that added the number to his name to distinguish his money from the former Henries. He also left off the old Rose, as it is called, about the head, and, instead of the pellets and place of mintage on the reverse, he placed the arms, which is the first time we see it upon the English silver money."* A new gold coin appears in the reign of Henry VII.,

* *Hist. Ac. of English Money*, p. 177.

called the Sovereign, or sometimes the Rose Rial, or the Double Rose Noble, of the value of twenty shillings; and there were also half sovereigns and double sovereigns. As these gold coins, however, are exceedingly scarce, the writer last quoted thinks it probable that "they were struck upon extraordinary occasions, only in the nature of medals, and, perhaps, were first coined in honour of the king's coronation, as his figure thereon, in the attitude of that solemnity, seems to intimate." "We are told," he adds, "such were distributed at the coronation of Queen Mary, and sovereigns were coined in every reign afterwards to King James I. inclusive."

The state of Henry VIII.'s money, Leake observes, was, like his mind and humour, very changeable and uncertain. At first he observed the same standard as his father, but he afterwards debased both his gold and his silver coins, being, Camden says, the first king of England that mixed the money with brass, or rather copper. Some alloy, however, was of course used before his time; and the fact seems to be that he merely made a very considerable increase in the quantity, employing the copper not merely to harden the coin and make it fit for use, but to diminish its intrinsic value. According to the tables drawn up by Folkes from the sure authority of the indentures made with the Masters of the Mint, it appears that, whereas, hitherto, the minted pound had consisted of eleven ounces two pennyweights of silver, and only eighteen pennyweights of alloy, Henry, in 1543, changed the proportions to ten ounces of silver and two ounces of alloy. Two years after he reduced the amount of silver to six ounces, or only one-half of the entire metal; and in 1546 he adopted the still more monstrous proportion of only four ounces of silver with eight of alloy. The pieces struck in both these last-mentioned coinages can only be justly described by the name of base money. But in addition to this debasement of the coinage Henry very materially depreciated it; that is to say, he coined the pound of silver or mixed metal into a greater nominal amount of money than it had previously been made to produce. Instead of

37*s.* 6*d.*, or 450 pennies, into which it had been coined ever since the fourth year of Edward IV., he made it yield 45*s.*, or 540 pennies, in 1527 ; and in 1543, 48*s.*, or 576 pennies. So that, taking the effect of the two operations together, he at last, instead of the former rate of 450 pennies out of eleven ounces and two pennyweights of silver, produced 576 pennies out of only four ounces of that metal. Henry's gold coins were sovereigns, half-sovereigns, or rials, half and quarter rials, angels, angelets or half angels, and quarter angels, George nobles, forty-penny pieces, crowns of the double rose, and half-crowns.* The George noble was so called from its having on the reverse St. George killing the dragon ; its value was 6*s.* 8*d.*, or two forty-penny pieces, the old value of the angel, which in 1527 was raised to 7*s.* 6*d.*, an alteration rendered necessary in order to maintain the old relation between the gold and silver coinage after the similar depreciation of the latter. Gold was at this time valued, in the operations of the English Mint, at twelve times its weight in silver.†

But the depreciation and the debasement of the coinage were carried still farther by Edward VI. than they

* Leake, p. 195.

† A groat and a half groat coined by Cardinal Wolsey, as Archbishop of York, are among the curiosities of the coinage of this reign. These pieces, on the sides of the shield containing the royal arms, displayed the letters T. W., for Thomas Wolsey, and underneath the cardinal's hat. "It was an article of the cardinal's impeachment," says Leake, "that he presumptuously imprinted the cardinal's hat under the king's arms upon his majesty's coins of groats made at York, which had never been done by any subject before. So that his crime was not for coining money with the cardinal's hat thereon—for the smaller coins, which bore the same stamp, are not taken notice of—but for coining groats, which had never been done by any subject before; but, as to small money, it had been immemorially coined in the bishop's mints at Canterbury, York, and Durham. But this power dwindled away with the pope's authority here, and was discontinued after this reign; Edward Lee, Wolsey's successor, being the last that used this privilege."

HISTORY OF

had been by his father. At first, indeed, he diminished the quantity of alloy from eight to six ounces in the pound; but in 1551 he increased it to nine, leaving three ounces of silver in the pound of mixed metal of which the different pieces of money were struck. Then, instead of 48s., as in the last reign, 72s. were coined out of the pound. That is to say, instead of the old rate of 450 pennies out of more than eleven ounces of silver, three ounces were now made to yield 86 pennies. The public inconvenience and confusion, however, that resulted from this prodigious depreciation came at length to be so severely felt that, towards the end of the reign, vigorous measures were taken to restore the coinage to its ancient standard; and in 1552 the alloy in the pound of silver was reduced to nineteen pennyweights, or to within one pennyweight of what it had always been down to the thirty-fourth year of Henry VIII. At the same time the number of shillings in which the pound of metal was coined was reduced from 72 to 60. The gold coin, which had been as much depreciated as the silver, was likewise restored to the same extent. Edward VI. was the first English king that issued crowns, half-crowns, and sixpences of silver, if we except a crown struck by his father, which does not seem to have been intended for circulation.

One of Queen Mary's first proceedings was to issue a proclamation for the regulation of the coinage, in which she dilated upon the great mischiefs that had ensued from the base money of the two preceding reigns; but in her own first coinage, nevertheless, she once more slightly reduced the fineness of the metal, making the alloy of the pound of silver an ounce instead of nineteen pennyweights, and adding also two pennyweights more of alloy to the pound of gold. The coins struck after her marriage bear her husband's head and name as well as her own. Some authorities state that crowns of gold were struck by Philip and Mary; but no such pieces are now known to exist.

The complete restoration of the coinage was reserved for Queen Elizabeth. In the second year of her reign

the silver coin recovered the whole of its ancient fineness by the alloy in the pound being reduced to eighteen pennyweights, a proportion which has ever since been retained. The number of shillings struck out of the pound of silver, however, was not lessened ; on the contrary, after having continued to be 60, as in the preceding reign, till 1601, it was then increased to 62, as it remained ever after till 1816, when it was farther increased to 66, which it still is. The debased money of her father and brother was also recalled and melted in the beginning of Elizabeth's reign ; so much of it as was received at the Mint is computed to have passed current for above 638,000*l.*, its real value being only about 244,000*l.* The gold coins of Elizabeth are sovereigns and half sovereigns, crowns and half crowns, angels, half angels, and quarter angels, nobles and double nobles. Of the sovereigns there are some remarkable as having milled edges, being the first English money so distinguished. There are also milled shillings, sixpences, and other silver coins belonging to almost every year of this reign. Besides the common silver money, Elizabeth coined what were called portcullis crowns or dollars, being imitations of the Spanish dollar or piece of eight, and of the value of 4*s.* 6*d.*, for the use of the East India Company. These pieces are now very scarce. It appears also that, a short time before her death, she had intended to coin farthings and other coins of small value of copper, a metal which had not yet been made use of for money in this country.

The depreciation of the Scottish money, which had already proceeded so far before the commencement of the present period, was carried during its course farther and farther in each successive reign. The debasement of the metal of the Scottish coinage, however, never approached the point to which that of the English was carried by Henry VIII. and Edward VI. As in England, the ancient standard of fineness had been eighteen pennyweights of alloy in the pound of silver ; in 1529, the *sixteenth year of James V.*, the proportion of alloy was *for the first time increased to one ounce* ; in 1571 it was

made three ounces, and in 1576 four ounces ; but three years later it was restored to the former proportion of one ounce, at which it remained throughout the rest of the period. But, whereas the pound of silver had originally, as in England, been coined into 20 shillings, or rather into 240 pennies, and even after a century of progressive depreciation had in 1475 been made to produce only 144*s.* ; in 1529 it was coined into 192*s.* ; in 1558 into 260*s.* ; in 1565 into 360*s.* ; in 1571 into 334*s.* ; in 1579 into 440*s.* ; in 1581 into 480*s.* ; in 1597 into 600*s.* ; and finally, in 1601, into 720*s.* In other words, what was originally only one pound had, by the steady operation of this nefarious and mischievous process, as practised by the government through the space of about three centuries, been made at last to pass current for no less than thirty-six pounds !

END OF VOL. I.

THE HISTORY
OF
BRITISH COMMERCE,

From the Earliest Times.

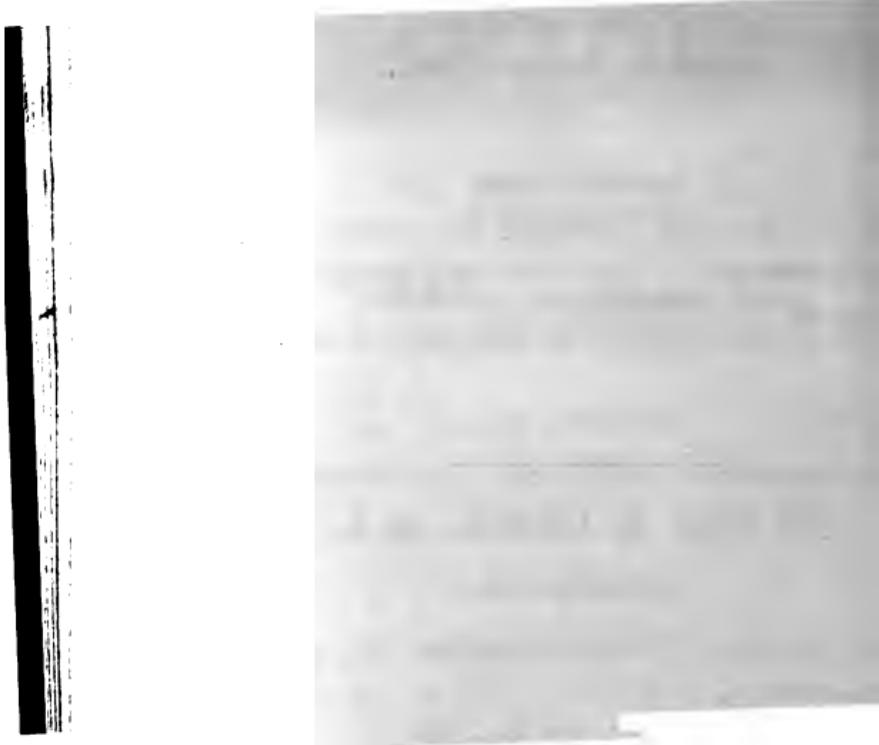
REPRINTED FROM
THE PICTORIAL HISTORY OF ENGLAND;
WITH CORRECTIONS, ADDITIONS,
AND A CONTINUATION TO THE PRESENT DAY.

By GEO. L. CRAIK, M.A.

IN THREE VOLUMES.—VOL. II.

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C O N T E N T S.

CHAPTER VII.

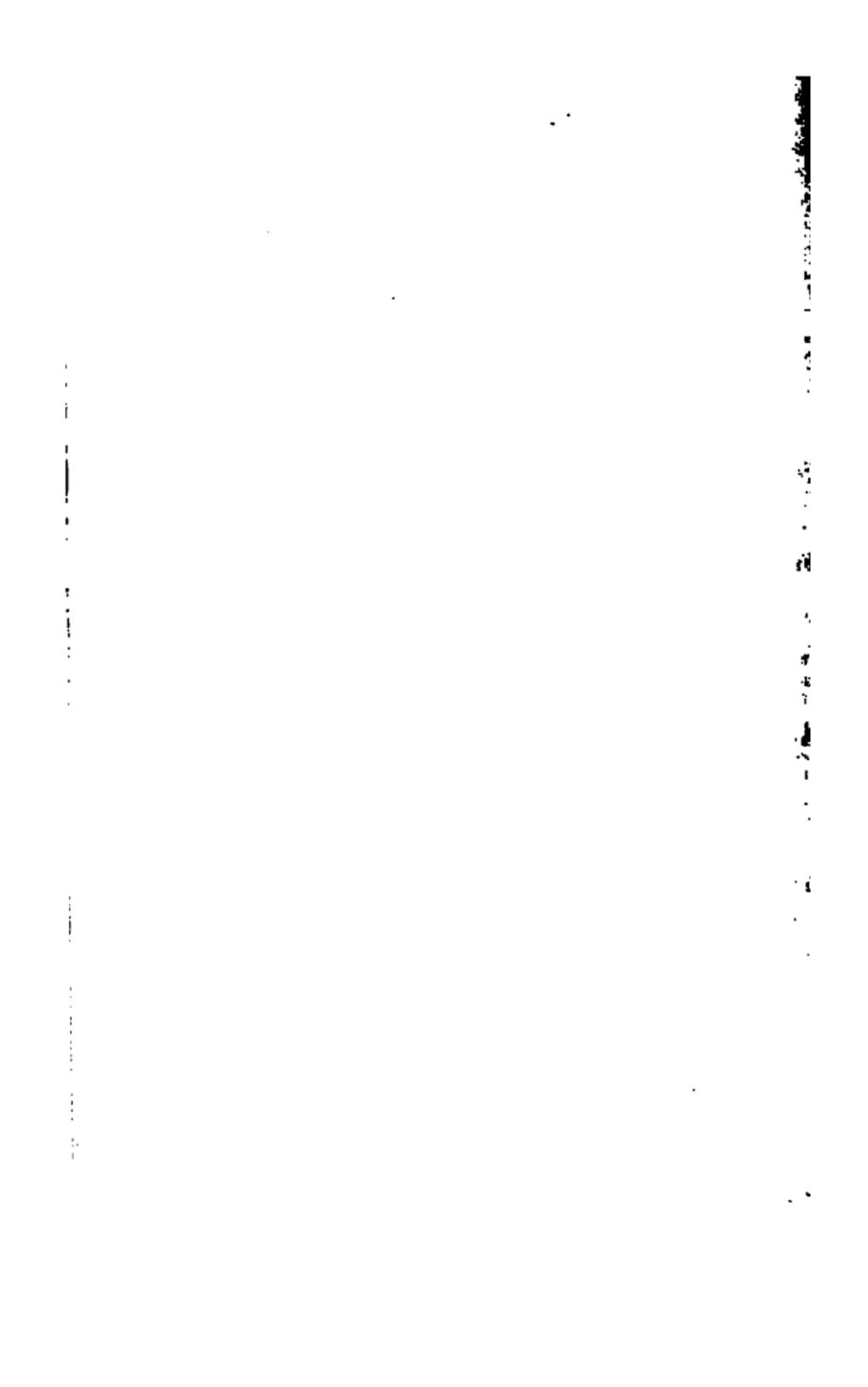
	<i>Page</i>
From the Accession of James I. to the Restoration of Charles II. A.D. 1603—1660	9

CHAPTER VIII.

From the Restoration to the Revolution. A.D. 1660—1688. 76
--

CHAPTER IX.

From the Revolution to the Accession of George III. A.D. 1688—1760.	117
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HISTOR Y
OF
BRITISH COMMERCE.

CHAPTER VII.

FROM THE ACCESSION OF JAMES I. TO THE RESTORATION
OF CHARLES II. A.D. 1603—1660.

THE most authentic and comprehensive account we have of the foreign commerce of England at the commencement of the present period is contained in a discourse, or essay, drawn up by Sir Walter Raleigh, and originally presented by him, in manuscript, to James I. soon after his accession.* The main object of this small treatise is to point out the circumstances to which the Dutch owed their commercial superiority, and to urge upon the English government the adoption of the same methods; but in pursuing this argument the author takes occasion to give a very full and minute delineation of the trade carried on by each country in all its branches. Some little allowance is perhaps to be made here and there for the bias of a mind occupied with and pleading for a particular object; but in general there is no reason to suppose that Raleigh's statements, the substance of which, in so far as they relate to his own country, we shall now proceed to extract and condense, are, to any material extent, overcharged.

The ordinary trade carried on at this time by the Dutch with England employed not fewer than five or six hundred Dutch ships, but not a tenth of that number of English. But, besides, whenever there was in England

* Observations concerning the Trade and Commerce of England with the Dutch and other Foreign Nations.

a dearth of wine, fish, or corn, it was the custom of the Dutch immediately to load fifty or a hundred vessels with the particular commodity in request, and to dispatch them to all the ports of this kingdom, to reap the harvest of the high prices. In a recent dearth of corn Raleigh affirms that the merchants of Embden, Hamburgh, and Holland had in this way carried away, in a year and a half, from the ports of Southampton, Exeter, and Bristol alone, nearly 200,000*l.*; and he thinks that, from the whole of the kingdom, they could not have obtained less than ten times that sum. The practice of these thoroughly commercial states was to monopolize, as far as they could, the transport of the produce of all other countries,—of Turkey and the East and West Indies, as well as of France, Spain, Portugal, and Italy; and, carrying this merchandise to Denmark, Sweden, Poland, and other northern parts, to bring back thence corn and other bulky commodities, which they stored up to supply the wants of England and the rest of the world. Amsterdam was never without a store of 700,000 quarters of corn, none of it of home growth; and it was remarked that a dearth of one year in England, France, Spain, Portugal, or Italy sufficed to enrich Holland for seven years after. Raleigh contends, nevertheless, that, if the proper methods were taken, England was much better situated than Holland for a general store-house.

He next proceeds to compare the trade in fish of the Low Countries and the adjacent petty states with that carried on by England. The most productive fisheries in the world were upon the coasts of the British islands; yet at this time, while the Hollanders sent to the four great towns on the Baltic—Koningsberg, Elbing, Stettin, and Dantzic—620,000*l.* worth of herrings every year, England exported to those places none at all; nor any to Denmark, Norway, Sweden, and the ports of Riga, Revel, Narva, and other parts of Livonia, to which the Dutch sent yearly to the value of 170,000*l.*; and scarcely 500*l.* worth to Russia, to which the Dutch sent 27,000*l.* worth; and none at all to Staden, Hamburgh,

Bremen, and Embden, to which the Dutch sent, of herrings and other fish, to the annual value of 100,000*l.*; nor any up the Rhine to Germany, the people of which bought, every year, 440,000*l.* worth of herrings and other fish from the Dutch; nor any up the Meuse to Maestricht, Liege, &c., to which places the Dutch sold herrings every year to the value of 140,000*l.*; nor any to Guelderland, Flanders, and up the Scheldt, all over the dominions of the Archduke of Austria, in which direction the Dutch sent annually 162,000*l.* worth; and not 2000*l.* worth to France, which took 100,000*l.* worth from the Dutch. In short, while, according to this account, the trade of the Dutch in fish brought them in annually not much under 2,000,000*l.*, the English could hardly be said to have any trade in that article at all,—except only, Raleigh omits to notice, to the countries washed by the Mediterranean,—the great Catholic and fish-eating countries of Spain and Italy; but thither, also, the Dutch, he tells us, sent large quantities, although he does not specify to what exact amount.

In other important branches of trade the case was nearly the same. The Dutch sent nearly a thousand ships every year to the countries in the north-east of Europe with wine and salt, both chiefly obtained from France and Spain; England, with equal natural advantages, had not one ship employed in that trade. The timber trade of the Dutch, whose own country grew no wood, employed five or six hundred great ships; the English, with the same access as they had to the forests within the Baltic, neither exported nor imported a single cargo. Even the wool, cloth, lead, tin, and other native products of England were far from being turned to so much account as they might have been. As yet all the woollen cloth that went abroad was exported both undressed and undyed. About 80,000 pieces of woollen cloth were annually sent to foreign countries in that state, the dyeing and dressing of which, as Raleigh calculates, was a yearly gain to the foreigner of 400,000*l.*; besides about 150,000 northern and Devonshire kerseys and bayes (*baize*), the colouring of which would come to 100,000*l.*

a-year more. These latter were dressed and dyed at Amsterdam, and then shipped for Spain, Portugal, and other countries, where they were sold under the name of Flemish bayes. Nor were our exports of all descriptions of native produce of any considerable amount in comparison with those of the Dutch. To Prussia and the other countries in the north-east of Europe, for example, the Dutch sent every year nearly three thousand ships, which found their way into every port town: we sent out in the same direction only about a hundred, the merchandise carried by which was chiefly disposed of in the three towns of Elbing, Koningsberg, and Dantzig. No English ships carried any of the commodities of those countries to France, Spain, Portugal, or Italy, which two thousand Dutch merchantmen were constantly employed in supplying with them. In general the foreign trade of England for some years past had been decaying rather than extending. For seventy years a very considerable trade had been carried on with Russia: down to about the year 1590, store of goodly ships were wont to sail annually to that country; but, in 1600, only four had been sent out; and, in 1602, only two or three; whereas the Russian trade of the Dutch had now come to employ from thirty to forty ships, each as large as two of the English, and all chiefly laden with English cloth, herrings taken in the British seas, English lead, and pewter made of English tin. To the isle of Wardhuus, on the coast of Finmark, eight or nine great ships used constantly to go to the fishing from England; in this year, 1603, only one had gone. Those native commodities, besides, that were sent from England to foreign countries were in by far the greater part exported in foreign bottoms.

Raleigh's essay probably attracted very little regard from James or his ministers at this time; but some attempts seem to have been made a few years afterwards to carry certain of his recommendations into effect. Nevertheless English commerce continued in a languishing state during the whole of this reign; no really important measures were taken for its revival and encouragement;

on the contrary, the very evil which Raleigh had most deprecated,—the burdensome amount of the customs,—was, in the penury and short-sightedness of the government, augmented instead of being alleviated. One or two new trading companies were, however, incorporated ; and the colonisation of different parts of America, which was more or less successfully proceeded with by the enterprise of private individuals, if it produced scarcely any results for the present, was laying an ample foundation of commercial as of all other greatness for a future age.

Captain James Lancaster, who had sailed from England in April, 1601, in charge of the first adventure of the newly-established East India Company, made his re-appearance in the Downs, with the two largest of his four ships full laden with pepper, on the 11th of September, 1603, having previously sent home the other two with cargoes composed partly of pepper, cloves, and cinnamon, partly of calicoes and other Indian manufactures, taken out of a Portuguese carack which Lancaster had fallen in with and captured. The admiral, as he was called, had been well received by the king of Acheen, in Sumatra, who had concluded a commercial treaty with him, and granted all the privileges that were asked ; but the great length of time, nearly two years and a half, that the adventure had occupied, and still more the obstructions of various sorts which kept the goods from being all disposed of, and the accounts finally wound up, for about six years longer, prevented the company from deriving either much ultimate profit or any immediate encouragement from this first attempt. Additional capital, however, having been, though with difficulty, raised, the same four ships were again sent out in March, 1604, under the command of Sir Henry Middleton, who did not return till May, 1606, and then only with three of his ships, laden with pepper, cloves, mace, and nutmegs, the fourth having been lost on the homeward voyage. In the mean time a licence in direct violation of the company's charter had been granted by the king to Sir Edward Michelborne and others, allowing them to send

out ships to trade with Cathaya, China, Japan, Corea, Cambaya, and any other countries in the same quarter of the globe not already frequented by the English ; and Michelborne had actually sailed for China in December, 1604, and, although he did not succeed in reaching that country, had made his way as far as to the Oriental Archipelago, whence he returned to England in July, 1606, bringing with him little else than the plunder of some small Indian and Chinese vessels, which he had attacked with no more regard either to the right of other nations or the character of his own than if he had been a common pirate. Disgusted by this ill-usage on the part of the government, in addition to the disappointment of their hopes of large and speedy returns from the subscriptions they had already risked, and influenced also somewhat by the popular outcry that was raised about the impolitic and destructive nature of the new trade, which, it was affirmed, besides occasioning an unusual mortality of the seamen, would, if persisted in, prove a wasteful drain both upon the treasure and the marine of the country, most of the members of the company were now inclined to put up with their losses and to have nothing more to do with the business. The spirit of others, however, still clung to the hope of better success ; and, a new subscription having been opened, three more ships were sent out in March and April, 1607, and two more in March the following year. Neither of these attempts was very fortunate : the two vessels that sailed last, indeed, were both lost at sea, although the crews and a small part of the cargo of one of them were saved ; but a single ship, the Expedition, which sailed in April, 1609, under the command of Captain David Middleton, brought home, about two years after, so valuable a cargo of nutmegs and mace as to produce a dividend of 211 per cent. Meanwhile a new charter, dated May 31, 1609, had been obtained by the company, by which their privilege of exclusive trade, originally granted for fifteen years, was made perpetual, a power, however, being reserved by the government of dissolving them at any time on three years' notice. They now built the

largest ship that had ever been constructed in England for the merchant service, some accounts making her burden to have been a thousand, others eleven or twelve hundred tons ; and, after the king, with a numerous attendance of the nobility, had witnessed the launch of this portly argosy, which his majesty named the Trade's Increase, and been entertained on board with a magnificent banquet served in dishes of China ware, then quite new in England, it was put, along with two other vessels, under the command of Sir Henry Middleton, who set sail with his little fleet for the Red Sea in the spring of 1610. Neither Middleton nor his good ship, the Increase, ever saw England again ; the ship was lost in Bantam Roads in 1613, and Sir Henry soon after died of grief ; but the other two vessels, which returned home towards the end of the following year, brought such productive cargoes as afforded the partners a dividend of above 121 per cent. Another adventure in a single ship, which sailed from Gravesend in January, 1611, and returned to England in the summer of 1615, produced the still larger profit of 218 per cent. upon the capital invested ; and another with three ships, which were sent out in April, 1611, and returned in September, 1614, was very nearly as successful. Another voyage, reckoned the ninth, brought a profit of 160 per cent. after three years and a half ; a tenth, in about two years and a half, 148 per cent. ; an eleventh, in twenty months, about 340 per cent. ; and a twelfth about 134 per cent., in a year and a half. Each of these adventures, it is to be observed, had, in so far as regarded the pecuniary results, been the separate concern of the individual members who chose to engage in it ; but the commanders in general appear, nevertheless, to have considered themselves in all other respects as the representatives of the company in its corporate capacity, or even in some sort of the nation, and, as such, to have freely, whenever occasion or opportunity offered, both entered into treaties with the native powers, and employed arms, defensively or offensively, against the Dutch, the Portuguese, the Turks, or whatever other foreigners

the subsequent expulsion of the English company's people by their late associates, but now declared enemies, out of all the other Spice Islands. A long course of hostilities, into the detail of which we cannot enter, took place between the two nations, the effects of which were so disastrous to the interests of the English company, that, notwithstanding a valuable establishment they had gained, in 1622, in the Persian Gulf, by the capture, in conjunction with the forces of the Shah of Persia, of the island of Ormus from the Portuguese, they found themselves, two or three years later, in debt to the amount of 200,000*l.*, and, about the close of the reign of James, were seriously thinking of disposing of whatever they possessed in India, and relinquishing the trade. They had, before this, abandoned their factory in Japan, notwithstanding the concession to them, by the emperor, in 1616, of a second and still more liberal charter; and they had also withdrawn from a field of enterprise upon which they had somewhat strangely entered a few years before,—the Greenland whale fishery,—after attempting it first by themselves, and then, with no better success, in conjunction with the Russian Company. They had in 1616, in the height of their reputed prosperity, raised a new stock of 1,629,040*l.*, which was eagerly subscribed by 954 individuals, including fifteen dukes and earls, thirteen countesses and other titled ladies, eighty-two knights, judges, and privy councillors, eighteen widows and maiden ladies, and twenty-six clergymen and physicians, besides mercantile men and others. Now, when a further subscription was proposed, it was found that the money could not be obtained; and the stock, which in 1617, sold at 203 per cent., had now fallen to considerably less than the half of that price.*

The operations of the other incorporated trading companies in this reign demand little notice. In 1605 James granted a perpetual charter to a new company, that of "The Merchants of England trading to the Levant Seas,"

* Macpherson's European Commerce with India, pp. 91—111.

which still subsists, and is popularly known under the name of the Levant or Turkey Company. By means of this company, the plan of which was that every member should trade on his own account, but according to regulations settled by the general court, considerable quantities of English woollen manufactures, and, at a later date, of watches, jewellery, and other descriptions of merchandise, were exported to Constantinople and the adjacent parts of the East, the supply of which with European commodities used formerly to be entirely in the hands of the Venetians. It is said that the ordinary returns of the Levant Company were at first three to one upon the investments. The year after the incorporation of the Levant Company, an English minister was, for the first time, appointed to reside in the dominions of the Grand Seignior, and authority was given to him to nominate consuls for the superintendence of the trade and the good government of the English merchants in the several ports. For some time the Turkish trade seems to have been one of the most flourishing branches of our foreign commerce. In a treatise published in 1621, it is asserted that, of all Europe, England then drove the most profitable trade to Turkey, by reason of the vast quantities of broad cloth, tin, &c., which were exported thither. The profitableness of the English trade with Turkey, however, in this writer's notion, lay mainly in the circumstance that our exports were sufficient to pay for our imports,—the latter consisting chiefly of “three hundred great bales of Persian silk yearly,”—“whereas,” he adds, “a balance in money is paid by the other nations trading thither. Marseilles sends yearly to Aleppo and Alexandria at least 500,000*l.*, and little or no wares. Venice sends about 400,000*l.* yearly in money, and a great value in wares besides. The Low Countries send about 50,000*l.*, and but little wares; and Messina 25,000*l.* in ready money. Besides great quantities of gold and dollars from Germany, Poland, Hungary, &c. And all these nations take of the Turks, in return, great quantities of camblets, grommets, raw silk, cotton wool and yarn, galls,

flax, hemp, rice, hides, sheep's wool, wax, corn, &c.^m If those other nations, however, got their money's worth for their money, which no doubt they did, they were quite as well off as the English, who of course got no more than the worth of their produce or manufactures. It might be as great an accommodation to the Venetians, Hollanders, &c. to have the Turks to take off their gold and silver as it was to the English to have the Turks to take off their broad cloths and tin. Of all superfluities a superfluity of the precious metals would be about the most useless; produce, manufactures, goods of any other kind that could not be disposed of abroad might be turned to some account at home; gold and silver would not be so valuable as iron, or lead, or clay, if they could not be employed for purposes of exchange. The English, therefore, in sending to the Turks their broad-cloths and tin, gave away that which if kept at home would have had a value in all circumstances, even if all commercial intercourse between nations had come to a stand-still: the money with which the Dutch and Venetians and Germans paid for their silks and other Turkish merchandise would not in that case have been worth the cost of warehousing it. And, in any circumstances, these nations must have found it more convenient to pay for what they got from the Turks in gold and silver than in other exports, else they would not have done so; the Turks would have taken their cloths and other descriptions of manufactures or produce as willingly as they took those of the English. But they found it more profitable to carry on their dealings of that kind with other customers,—to exchange their goods for the money of the English,—and then, with that money in their hands, to go to make their purchases from the Turks. What would they have made by keeping the money and exporting goods to Turkey

* Munn's Discourse of Trade from England to East India, p. 17. Munn, who has developed his views more at large in his work, entitled "England's Treasure by Foreign Trade," was one of the ablest as well as earliest systematic defenders of what has since been called the Mercantile Theory of Trade.

instead? On the other hand, if the English had had money wherewith to make their purchases from the Turks, it is unquestionable that they would have found that the most profitable way of dealing. Whatever the theorists of the mercantile system may say, the last thing, we may be sure, that any nation will really keep at home when it has an opportunity of sending it abroad is its gold and silver. Money is at once the most effective and economical instrument of exchange, and the most useless of all things when not so employed. The mercantile system rests upon the notion that a country never can have too much money; whereas the truth is, money is almost the only thing of which more than a certain quantity permanently confined within a country would really be of no use. If a country has as much of everything else as it wants, it will always have as much money as it wants; its stock of money or representative wealth, will always be proportioned to its stock of other and more real wealth; and no mode of carrying on trade with another country, or with all other countries,—in other words, no state, favourable or unfavourable, to use the established expressions, of what is called the balance of trade—can in the least affect the matter. In fact, this same balance of trade, about which so much anxious calculation has been expended, is in every view the most purely insignificant thing in the whole world; it is of no more consequence than the balance between the numbers of the red-painted and black-painted ships that may have been employed in any particular trade, or of the light-complexioned and dark-complexioned sailors by which they may have been manned. It is evident that no country can have its general balance of trade permanently or for any long course of years either favourable or unfavourable; either supposition implies that which is impossible. The result of a permanently favourable balance, would be such a constant accumulation of the precious metals in the country as would be only burdensome if it could take place, but, at the same time, really could no more happen than a constant accumulation of water upon a particular spot in a plain. A permanently or long-continued unfar-

vourable state of the balances, again, is only another expression for the case of a country which should be continually exporting more gold and silver than it imported, a thing possible only for a country of which the precious metals were among the native products. The wealth of a country, indeed, may increase or may diminish: but its stock of money and its stock of other wealth will increase or will diminish together; and the growth or decline of both will not at all depend upon, or be indicated by, anything like what has been called the balance of trade,—that is, the proportion in which the goods obtained from other countries are paid for by money or by other goods,—but will be occasioned solely by the increasing or diminishing productiveness, as circumstances may vary, of its natural resources and advantages, and of the labour and ingenuity of its inhabitants. The balance of trade may in all cases with perfect safety be left to regulate itself: whatever may happen with other things, that can never go wrong.

In 1604, and again in 1617, the Company of Merchant Adventurers obtained new charters from James, confirming all their former exclusive privileges of exporting the woollen manufactures of England to the Netherlands and Germany, with the reservation only of the right of trading within the same limits to the mayor, constables, and fellowship of the Merchants of the Staple—an exception which is said to have soon proved wholly illusory, under the extending influence of the more recent association, who gradually compelled all persons engaged in this trade to submit to their regulations. In fact, the Company of Merchant Adventurers came to comprehend the whole body of English merchants trading to the Low Countries and Germany, a body which, in the latter part of the reign of James, is stated to have amounted to about 4000 individuals. There appear, also, to have been local companies of merchant adventurers established in some of the great towns. Thus, an act of parliament of the year 1606 confirms a charter that had been granted nearly half a century before by Elizabeth, giving to a company of *that name of the city of Exeter* the exclusive privilege, in

reference to their fellow-citizens, of trading with the dominions of the king of France. Another statute of the same session created a still more comprehensive monopoly in favour of the corporation of the town of Southampton, which was empowered to exclude all persons except its own freemen, and the barons and freemen of the Cinque Ports, from buying or selling anything whatever as merchants within that town. Such restrictions were still generally thought to be necessary or serviceable to the interests of trade, and not injurious to those of the public.

Much more pernicious, however, in their effects, as well as more illegal, or at least unconstitutional, in their origin, than these local and statutory grants, were many patents for the exclusive sale or manufacture of particular commodities, which James took upon him to issue by his mere prerogative to persons who purchased from him such licences to pillage the rest of his subjects. The number of these monopolies had been made matter of strong complaint by the House of Commons towards the close of the preceding reign, and Elizabeth had thereupon issued a proclamation annulling all those then existing. But James was not to be restrained by this concession of his predecessor from the exercise of what he held to be an undoubted part of his prerogative; he soon created so many new monopolies that the public clamour became louder than ever, till at last, in 1609, he deemed it prudent to follow Elizabeth's example by again proclaiming a general revocation. Nevertheless, after the suspension of parliamentary government in 1614, this evil, with many others, soon grew up again in all its old rankness; so that, when circumstances at length compelled the calling of a parliament once more in 1621, the oppression of monopolies formed a principal head in the catalogue of the national grievances which the Commons immediately proceeded to redress. At a conference with the Lords, they offered to prove, Rushworth tells us, "that the patents of gold and silver thread, of inns and alehouses, and of power to compound for obsolete laws, of the price of horse-meat, starch, cords, tobacco-pipes, salt, train-oil, and the rest, were all illegal; howbeit they touched not

the tender point of prerogative, but, in restoring the subjects' liberty, were careful to preserve the king's honour."* James, it should appear, on this occasion professed to have been entirely ignorant, until informed by his faithful Commons, of the abuses alleged to have taken place; and it was contrived that the whole blame as well as punishment should fall upon the patentees, on the pretence that they had exceeded their privileges, and on certain of the officers of state concerned in the granting of the patents, on the somewhat contradictory pretence that they had not been sufficiently careful in limiting the terms of these grants so as to guard them against being abused. "I do assure you," said his majesty, in a speech which he came down and made to the Lords while the inquiry was going on, "I do assure you, in the heart of an honest man, and by the faith of a Christian king, which both ye and all the world know me to be, had these things been complained of to me before the parliament I would have done the office of a just king, and out of parliament have punished them as severely, and peradventure more, than ye now intend to do. But now that they are discovered to me in parliament, I shall be as ready in this way as I should have been in the other; for I confess I am ashamed, these things proving so as they are generally reported to be, that it was not my good fortune to be the only author of the reformation and punishment of them by some ordinary course of justice." "Three patents at this time," he went on to say, "have been complained of and thought great grievances: 1. That of the inns and hostelries. 2. That of alehouses. 3. That of gold and silver thread. My purpose is to strike them all dead; and, that time may not be lost, I will have it done presently. That concerning alehouses I would have to be left to the managing of justices of the peace as before. That of gold and silver thread was most vilely executed, both for wrong done to men's persons, as also for abuse of the stuff, for it was a kind of false coin. I have already freed the persons that were

* Collection, i. 24

in prison ; I will now also damn the patent, and this may seem instead of a pardon. All these three I will have recalled by proclamation, and wish you to advise of the fittest form to that purpose."* In the course of the debates upon the subject in the Commons, Mr. (afterwards Serjeant) Noy explained the manner in which these patents were applied for and obtained. "Before any patent is passed," said the learned member, "there is first a petition to his majesty, showing what good will accrue to the commonwealth by granting of the same, and what increase of benefit to the king, and what abuses for want of such a remedy as they propound do abound ; whereon the king ever referreth the petition to some whom his majesty thinketh fittest to consider of the petition, both for matter of law, convenience, and good of the state and commonwealth ; and thereupon the referees are to certify his majesty the truth of what they think of the petition ; and, as they certify for the lawfulness and conveniency and good both of his majesty and his estate, and the particular good of the commonwealth, his majesty accordingly granteth it."† With all this show, however, of regard for the public good, no doubt can be entertained for a moment, from the character of these old monopolies, that the only thing that was really looked to in the bargain between the crown and the applicant was the amount of the sum of money the latter was inclined to offer for the patent ; if that was sufficiently large, the recommendation of the referees, we may safely presume, was in general a matter of course. It is highly probable, indeed, that they expected and received, in all cases, a bribe for themselves as well as for their royal master. Nobody at this time, however, went the length of maintaining that the right of granting such patents, if properly exercised, was not, at least within certain limits, a prerogative of the crown. Those of the existing monopolies that were attacked were objected to principally on the ground that they were prejudicial to the public interest, either in their very nature or because the patentee had

* Rushworth, I. 26.

† Parl. Hist. i. 1192.

abused the powers entrusted to him by the royal grant.
“ There are some patents,” Noy proceeded to observe,
“ that in themselves are good and lawful, but abused by
the patentees in the execution of them, who perform not
the trust reposed in them by his majesty ; and of such
kind is the patent for inns ; but those that have the execu-
tion abuse it by setting up inns in forests and bye-villages,
only to harbour rogues and thieves, and such as the jus-
tices of peace of the shire, who best know where inns
are fittest to be and who best deserve to have licence
for them, have suppressed from keeping of alehouses ; for
none is now refused that will make a good composition.
There are also some who have gotten a power to dis-
pense with the statute of vagabonds, rogues, &c., and so
make themselves dispensers of the royalties only proper
for the king himself. The like patent is granted for
tolls, leets, warrens, markets, &c., and they set up bills
of it on posts, like new physicians that are new come to
town, making merchandises of it.” Even Sir Edward
Coke, who declared that monopolies were now grown
like hydras’ heads—they grew up as fast as they were
cut off—admitted that, while some patents were against
the law, and others neither good in law nor execution,
others were good in law and only ill in execution. The
patent for inns, in particular, he allowed to be good in law.
“ He showed,” says the report of his speech, in con-
clusion, “ that all the kings, from Edward III. to this king,
have granted monopolies ; and even in Queen Elizabeth’s
time there were some granted. Sir Richard Mompesson [perhaps
the father of Sir Giles Mompesson, whose
conduct as one of the patentees of inns and of gold and
silver thread was now in question] and one Robert Alex-
ander procured of Queen Elizabeth a patent for the sole
transporting of anise-seed. Monopolies have been granted
heretofore *de vento et sole* ; that in Devonshire and Corn-
wall a patent was granted that none should dry pilchards
but those patentees.”* Another member, Mr. Alford,
described the way in which the monopoly of inns operated.

* Parl. Hist. I. 1193.

" Every poor man," said he, " that taketh in but a horse on a market-day, is presently sent for up to Westminster and sued, unless he compound with these patentees ; and all ancient inn-keepers, if they will not compound, are presently sued at Westminster for enlargement of their house, if they but set up a new post or a little hovel more than of ancient was there. And, instead of reformation of abuses, this patent doth but raise reckonings on the poor traveller ; and, instead of restraining the number of inn-keepers, at Bath, where there were wont to be but six, and the town desired Sir Giles Mompesson there might not be more, yet he increased them *gradatim* from six to twenty innkeepers." When he found that the storm could not be resisted, James himself was as ready with his virtuous indignation against all these abuses as any one else : in his speech to the Lords, to which we have already referred, he told them that nothing would be a greater ease to him, and to all about him at court, than some measure that would put an end for ever to the annoyance and pest of applications for the said patents. Even the stir that had already been made, he intimated, had materially contributed to his and their repose ; " for I remember," said his majesty, " that, since the beginning of this parliament, Buckingham hath told me he never found such quiet and rest as in this time of parliament from projectors and informers, who at other times miserably vexed him at all hours." And then he launched out in the following characteristic strain :—" And now I confess that, when I looked before upon the face of the government, I thought, as every man would have done, that the people were never so happy as in my time. For, even as at divers times I have looked upon many of my coppices, riding about them, and they appeared on the outside very thick and well grown unto me; but when I turned unto the midst of them, I found them all bitter within, and full of plains and bare spots,—like an apple or pear, fair and smooth without, but, when ye cleave it asunder, you find it rotten at the heart ; even so this kingdom, the external government being as good as ever it was, and, I am sure, as

learned judges as ever it had, and, I hope, as honest, administering justice within it, and for peace both at home and abroad, I may truly say, more settled and longer lasting than ever any before, together with us great plenty as ever; so it was to be thought that every man might sit in safety under his own vine and fig-tree. Yet I am ashamed, and it makes my hair stand upright, to consider how in this time my people have been vexed and polled by the vile execution of projects, patents, bills of conformity, and such like, which, besides the trouble of my people, have more exhausted their purses than subsidies would have done." The sudden dissolution of this parliament, however, prevented anything being done to put an effectual stop to the evil; and it was not till three years afterwards, by which time several new patents of an equally objectionable kind with those here so warmly condemned had been extorted from his majesty's necessities or good-nature, that the act was passed declaring all monopolies, and all commissions, grants, &c., to any person or persons for the sole buying, selling, making, working, or using of anything within the realm, except in the case of new inventions, to be altogether contrary to the laws of the realm, and so to be utterly void and of none effect, and in no wise to be put in use or execution.* Tacked to this general enactment, however, were provisos barring its operation in the case of various existing patents and of any others that might be afterwards granted of the same kind,—namely, patents concerning printing, the digging or compounding of saltpetre or gunpowder, the casting or making of ordnance or shot, the compounding or making of alum, the licencing of taverns and retailing of wines. Four existing patents, for the making of glass, for the exportation of calves' skins, for the making of salt, and for the melting of iron ore, were also specially excepted from the operation of the act.

We will now add a few notices respecting the state of some particular branches of trade in this reign. One of

* Stat. 21 Jac. I. cap. 3.

the fields of enterprise that attracted most attention was that of the northern fisheries. Besides whales, the frequenters of the Greenland coasts now began to kill morses, or sea-horses, whose teeth were then esteemed more valuable than ivory. The fishery was at first prosecuted by individual adventurers, but at length the Russia Company having entered into the business obtained, in 1613, a charter from James, excluding all other persons from sailing to Spitzbergen; acting upon which they that year fitted out seven armed ships, with which they drove away from those seas four English fishing-vessels, and fifteen sail of Dutch, French, and Biscayans, and forced some other French ships, which they permitted to remain, to pay them tribute for their forbearance. The next year the company sent out thirteen ships; but the Dutch had now taken care to be provided for them, and, appearing with eighteen vessels, four of which were men-of-war, set them at defiance, and remained and fished at their ease, as usual. In 1615 a new claim to the dominion of Spitzbergen and the surrounding waters was preferred by the Danes, who made their appearance with three ships of war, being the first Danish vessels that had ever been seen in that quarter, and demanded tribute or toll both from the Dutch and the English, who were, however, too strong for them to succeed in enforcing their claim. We have already mentioned the junction of the Russia and East India Companies for the prosecution of the Greenland fishery. It is said to be in 1617 that the earliest mention is found of fins or whalebone being brought home along with the blubber. The dispute between the English and Dutch about the right of fishing still continued to be waged with great animosity and occasional violence; meanwhile, "the manner of managing the whale-fishing of both nations," says Anderson, in a summary of the details given by the voyagers of the time, "was then quite different from what it is in our days. The whales, in those early times, having never been disturbed, resorted to the bays near the shore, so that their blubber was easily landed at Spitzbergen, where they erected cookeries (that is, coppers, &c.) for

boiling their oil ; which cooke ries they left standing from year to year, and only brought home the purified oil and the whalebone. The English, having been first in that fishery, kept possession of the best bays. The Hollanders, coming late, were obliged to find bays farther north : yet the Danes, who came later into this trade than the Dutch, got in between the English and Dutch. The Hanburghers came after the Danes ; and after them came the French, and also the Biscayners, who, though they were older whale-fishers than any in Europe, except the Norwegians, had not, however, practised this method but by the example of the English and the rest, and who were forced to set up their cooke ries still farther off. But, since those times, the whales are less frequent in the bays, and are most commonly among the openings of the ice at a greater distance from land, which obliges the ships to follow them thither. So that the blubber is now cut from the whales, which are taken in small pieces at the ships' sides, and then casks filled therewith, and thus brought home to be boiled and purified, and the whale-fins also to be cleaned. This latter method, however, of fishing being often found dangerous and hazardous to shipping, it discouraged our English adventurers, who then traded in a company, so that they soon after relinquished that fishery ; and so it remained till the reign of King Charles II."*

We have a proof, notwithstanding the complaints of the decay of the national trade and industry, which, as we have seen, were not wanting now any more than in every other period of our history, that the country still continued, on the whole, to advance in wealth and prosperity, though at a slacker pace than for some time before, in the fact that both the mercantile and the royal navies were considerably increased in the course of the present reign. It has been asserted, as we have seen, that in the fleet fitted out in 1588 against the Spanish Armada Elizabeth had forty ships of her own ; but, according to other accounts, what properly formed the

* Histor. and Chron. Deduct. of Orig. of Com. ii. 272.

royal navy consisted at her death of only thirteen ships, while at the death of James it consisted of twenty-four.* While the largest of Elizabeth's ships, also, was only of the burden of 1000 tons, and carried forty cannon, her successor, in 1609, built a man-of-war, called the Prince, of the burden of 1400 tons, and carrying sixty-four guns. At James's accession, it is stated by Sir William Monson, there were not above four hundred ships in England of four hundred tons burden.† An anonymous, but apparently well-informed writer, the author of a tract entitled "The Trade's Increase," published in 1615, has given us an account of the English shipping at that date, which, although the object of the writer is not to draw a flattering picture, seems to indicate that its quantity was then very considerably greater than it would appear to have been twelve years before, either from Monson's statement, or from that of Raleigh respecting the general trade of the kingdom, to which we have adverted in a preceding page. According to the author of "The Trade's Increase," there were, when he wrote, twenty English ships, chiefly laden with herrings, employed in the trade to Naples, Genoa, Leghorn, Marseilles, Malaga, and the other ports of the Mediterranean; together with thirty from Ireland, laden with pipe-staves,—an article that has now long ceased to be found among the exports from that country. To Portugal and Andalusia twenty ships were sent for wines, sugar, fruits, and West India drugs; to Bordeaux, sixty ships and barks for wines; to Hamburg and Middleburgh thirty-five vessels, all belonging to the Company of Merchant Adventurers; to Dantzic, Koningsberg, &c., about thirty,—namely, six from London, six from Ipswich, and the rest from Hull, Lynn, and Newcastle; to Norway, five. The Greenland whale-fishery employed fourteen ships; the Iceland fishery, one hundred and twenty ships and barks. Only one hundred and twenty small ships were engaged, according to this writer, in the Newfoundland fishery; but another auth-

* Macpherson, Hist. of Com. ii. 230.

† Naval Tracts, 1623.

rity states that this very year there were at Newfoundland two hundred and fifty English ships, the burden of which, in all, amounted to 15,000 tons.* The Newcastle coal-trade employed alone four hundred vessels; namely, two hundred for the supply of London, and as many more for the rest of England. "And, besides our own ships," says our author, "hither, even to the mine's mouth, come all our neighbouring nations with their ships continually, employing their own shipping and mariners. . . . The French sail hither in whole fleets of fifty sail together; serving all their ports of Picardy, Normandy, Bretagne, &c., even as far as Rochelle and Bordeaux. And the ships of Bremen, Embden, Holland, and Zealand supply those of Flanders, &c., whose shipping is not great, with our coals." Besides all these, there were the ships belonging to the East India Company, which, if they were not as yet very numerous, were some of them the largest merchantmen of the kingdom. Sir Dudley Digges, in a treatise entitled "The Defence of Trade," published this same year, in reply to the author of "The Trade's Increase," who had attacked the company, gives a list of all the ships they had employed from their first establishment, which he makes to have been twenty-four in number; of which one was of 1293 tons burden, one of 1100, one of 1060, one of 900, one of 800, and the rest of from 600 to 150.

According to a return made to an order of the privy council, in 1614, the entire value of the exports from England to all parts of the world, for the preceding year, was 2,090,640*l.* 11*s.* 8*d.*; and that of the imports, 2,141,283*l.* 17*s.* 10*d.* In order, however, to make it appear that the balance of trade was at this time favourable, the account adds to the value of the exports 86,794*l.* 16*s.* 2*d.* for custom on the goods; 10,000*l.* for the impost paid outwards on woollen goods, tin, lead, and pewter; and 300,000*l.* for the merchants' gains, freight, and other petty charges: in this way making out an apparent balance of the exports over the imports,

* *Gerard Malynes*, in his *Lex Mercatoria*, 1622, p. 347.

or, as it is phrased, "a balance gained this year to the nation" of 346,283*l.* 17*s.* 10*d.* In 1622, according to another account which has been preserved, the total amount of exportations, including therein the custom at 5 per cent. on such goods as paid poundage, the imposts on bays, tin, lead, and pewter, and the merchants' profit of 15 per cent., together with freight and petty charges, was 2,320,436*l.* 12*s.* 10*d.*; while the total value of the imports, including 91,059*l.* 11*s.* 7*d.* of customs dues, and 100,000*l.* for fine run-goods, &c., was 2,619,315*l.** This state of matters, according to the universally prevalent notion of the time, indicated a balance lost to the country that year by its foreign commerce of 298,878*l.* 7*s.* 2*d.* But, in truth, a comparison of the two accounts, supposing them to be tolerably correct, only proves that the trade of the country, on the whole, had rather increased than diminished in the course of the nine years which they embrace. It appears that in 1613 the exports and imports, taken together, amounted in value to 4,628,586*l.*; and in 1622 to 4,939,751*l.* The highest of these sums may be about the twentieth part of the united value of our present exports and imports.

The great staple of the kingdom still continued to be the trade in wool and in woollen cloths. But, although the English wool was finer, and held in higher estimation than that of any other country, the imperfect manner in which the processes of dressing and dyeing the cloth were performed had long been matter of regret with all who took an interest in the prosperity of our commerce and manufactures. We have already noticed Raleigh's representations upon that subject. At length an effort was made to remedy the evil, which, if strong measures were always the most successful in such cases, could hardly have failed to accomplish its professed purpose. In 1608 James issued a proclamation absolutely prohibiting any undyed cloths to be sent beyond seas even by the Company of Merchant Adventurers,

* Circle of Commerce, by Edward Misselden, Esq., 1623, p. 121.

whose charter expressly empowered them to export ~~such~~ cloths, of which, indeed, their trade in all probability mostly consisted. At the same time he granted Alderman Cockayne a patent giving him the exclusive right of dyeing and dressing all woollen cloths. But the States of Holland and the German cities immediately met these proceedings by prohibiting the importation of all English dyed cloths. "Thus," says Anderson, "was commerce thrown into confusion, Cockayne being disabled from selling his cloth anywhere but at home; beside that his cloths were worse done, and yet were dearer, than those finished in Holland. There was a very great clamour, therefore, raised against the new project by the weavers now employed, &c., so that the king was obliged to permit the exportation of limited quantity of white cloths; and a few years after in the year 1615, for quieting the people, he found himself under the necessity of annulling Cockayne's patent and restoring that of the Merchant Adventurers." The prohibition by the Dutch and Germans, however, of the importation of English woollens dyed in the cloth had in the mean time, set the clothiers of England upon the new method of dyeing the wool before weaving it, and thus producing the kind of fabric called medley-cloth formed from threads of different colours. This discovery is assigned to the year 1613. Either from the effects of the derangement occasioned by Cockayne's patent, or from other causes, the woollen trade a few years after this date appears to have fallen into a declining state. In 1622 a commission was issued by the king to a number of noblemen and gentlemen, directing them to inquire into the causes of the decay, and the best means of effecting the revival, both of this and other branches of the national commerce and industry; in which his majesty declares that both the complaints of his subjects at home and the information he received from his ministers abroad had assured him that the cloth of the kingdom had late years wanted that estimation and vent in foreign parts which it formerly had; that the wools of the kingdom were fallen much from their wonted values; &

that trade in general was so far out of frame that the merchants and clothiers were greatly discouraged ; so that great numbers of people employed by and dependant on them wanted work, farmers wanted the usual means of paying their rents, landlords failed to receive their former incomes, and the crown also suffered by the diminution of the customs and other duties. The remainder of the paper enumerates the points to be more particularly inquired into, and suggests some remedies that might, it was thought, deserve consideration. The commissioners were directed, among other things, to find out what had occasioned the fall in the price of wool ; what would be the most effective course to take in order to prevent the exportation of wool and woollen yarn, fuller's-earth, and wood ashes ; how to remedy the present unusual scarcity of money, &c. They were also to consider if it might not be behoveful to put in execution the laws still in force which obliged merchant-strangers to lay out the proceeds of the merchandise imported by them on the native commodities of the realm. The commission goes on to complain that the merchants trading into the Eastland countries (that is, the countries lying along the south shores of the Baltic) had neglected of late to bring back corn as they had been formerly wont ; and also that, instead of loading their ships, as formerly, with great quantities of undressed hemp and flax, which set great numbers of the people of this kingdom to work in dressing the same and converting it into linen cloth, they now imported hemp and flax ready dressed, and that for the most part by strangers. Much treasure, it is afterwards affirmed, was yearly spent for linen cloth imported from abroad at a high price. It is certain that, before the close of this reign, the Dutch had begun successfully to compete with the English weavers in the manufacture of the finer kinds of woollen cloth, a branch in which this country had till now stood unrivalled. In 1624 a statement was given in to the parliament, by which it appeared that 26,500 pieces of fine woollens had been that year manufactured in Holland ; whereupon the House of Commons resolved, first, "That the Merchant Adven-

turers' Company setting imposts upon our cloths a grievance, and ought not to be continued; and these other merchants promiscuously, as well as that company may transport everywhere northern and western domes kerseys, and new draperies;" secondly, "That other merchants beside the Merchant Adventurers' Company may freely trade with dyed and dressed cloths, and all sorts of coloured cloths, into Germany and the Low Countries." This was certainly the true way of restoring the trade, and of securing to the English weavers something better than even that exclusive possession of the manufacture of the finer fabrics, which was now irrecoverably lost.

According to the author of "The Trade's Increase," the commerce of England with Spain and Portugal had fallen to so low a state, in consequence of the long wars with those countries in Elizabeth's time, that when he published his work, in 1615, it scarcely employed five hundred seamen. An attempt was made in 1618 to revive the trade to the coast of Guinea by the chartering of a company with the exclusive privilege of carrying it on; but the only result was, that the company and the private adventurers, whose former freedom was invaded by the charter, became involved in such disputes as soon ruined both; so that the trade was for some years abandoned altogether. Considerable annoyance was experienced by our commerce in the south of Europe in the course of this reign from the pirates of the Barbary coast. About the year 1616 the fleet of these corsairs is stated to have consisted of forty sail of tall ships, that carrying the admiral being of 500 tons burden; with this force they struck terror all along the Spanish coasts, dividing it into two squadrons, with one of which they blocked up the port of Malaga, while with the other they cruised between Lisbon and Seville. In 1620 the king commissioned Sir Robert Maunsell, vice-admiral of England, to lead a fleet, composed partly of some royal ships, partly of others belonging to private individuals, against the pirates; but nothing appears to have been done in consequence. The next year, however, Maunsell actually

proceeded to Algiers with an armament consisting of eight ships, four of them carrying forty cannon each, besides twelve armed merchantmen, the whole having on board a force of nearly 2700 men. But, after making an attempt to burn the ships in the mole, which did not succeed, it was deemed prudent to return home, under the conviction that nothing further could be done. It is said that the corsairs, as soon as Maunsell had turned his back, picked up nearly forty good English ships, and infested the Spanish coasts with greater fury than ever. Two years after we find complaints made both by foreign powers and by English merchants, that sundry subjects of England were in the habit of supplying the rovers of Algiers and Tunis with ammunition, military weapons, and provisions, whereby they were enabled to disturb our own commerce as well as that of other Christian nations ; on which James issued a proclamation strictly prohibiting all his subjects from offending for the future in that sort.

We have sketched in the preceding Chapter the history of the several attempts which were made, in the latter part of the reign of Elizabeth, to effect settlements in the newly discovered world of North America, principally by Sir Walter Raleigh and his relations, Sir Humphrey Gilbert and Sir Richard Grenville, and which all terminated so unsuccessfully or disastrously. A considerable intercourse had, however, been kept up with the Indians on the coasts of Virginia and the more northern part of the American continent by the merchants both of London and Bristol, who found it very profitable to purchase their furs and skins with beads, knives, combs, and other such trinkets or articles of little value, ever since a Captain Gosnold, in the year 1602, had for the first time made the voyage to those parts by a direct course, without sailing round about to the West Indies and through the Gulf of Florida, as had always been done by preceding navigators. At length, in 1606, James chartered two companies, the first called that of the London Adventurers, or South Virginia Company, who were authorised to plant all the American coast comprehended *between the 34th and 41st degrees of north latitude, or*

the country which afterwards formed the provinces of Maryland, Virginia, and North and South Carolina; the second called the Company of Plymouth Adventurers, to whom was assigned all the territory to the north of this as far as to the 45th degree of latitude, including the modern Pennsylvania, New Jersey, New York, and the New England States. The London Company that same year sent out a hundred settlers in two ships, who founded, about three miles from the mouth of the Powhatan (now called James River), the present town, still known by its original name, of James Town, in Virginia. In 1610 this company obtained a second charter, incorporating them anew by the name of the Treasurer and Company of Adventurers and Planters of the City of London for the First Colony of Virginia, and empowering them to grant lands to the adventurers and planters, to appoint a resident council, to place and displace officers, &c.—in short, granting them all the powers of self-government. In 1612 a settlement was formed on the Bermuda, or Somers Isles, by a company of persons, to whom the king granted a charter after they had purchased the islands from the Virginian Company, who claimed the dominion of them in consequence of their having been discovered, as was supposed, by two of their captains, Sir George Somers and Sir Thomas Gates, who were shipwrecked on one of them in the course of a voyage to Virginia in 1609, and lived there for nine months, though they had been really visited a hundred years before by Bermudo, a Spanish navigator. In 1616, Sir Walter Raleigh, released from his long confinement in the Tower, received from James his commission to undertake the voyage to Guiana, in South America, which the gallant adventurer entered upon in the spring of the following year, and the fatal issue of which is well known. Raleigh, setting sail on the 28th of March, 1617, in command of a fleet of fourteen vessels, did not reach the coast of Guiana till the 13th of November; he returned to England in June 1618, after having lost his eldest son in fighting with the Spaniards, and having been foiled in all his attempts; was immediately on his landing arrested

and thrown again into the Tower ; and was brought to the block on the 19th of October following. Meanwhile, although the colony in Virginia went on increasing, and began, after many disappointments, to promise some return to the outlay of the adventurers, they had enough to do in defending their possessions against enemies and rival claimants on all sides of them. Besides the contests in which they were involved with the aboriginal inhabitants, they found themselves called upon to take measures for driving away both a number of Frenchmen who had crossed the St. Lawrence and settled in Acadia (the present Nova Scotia), and in the country now forming the New England States ; and also a body of Dutch colonists who had built the town of New Amsterdam (the present New York) and the port of Orange (now Albany), in what they called the country of New Netherlands ; for as yet all the eastern coast of the American continent, from the 34th to the 45th parallels of latitude, was considered as belonging either to southern or northern Virginia, and as, therefore, included in the grants to the two companies. Both the French and the Dutch were dislodged in 1618 by the English governor, Sir Samuel Argal ; but the Dutch soon returned, and eventually made good their position. Many attempts had been made to establish English settlements in the northern parts of this territory ; but it was not till the year 1620 that the first plantation was made which actually took root and became permanent, at a place called Plymouth, the country around which soon after received the name of New England from the Prince of Wales (afterwards Charles I.). About the same time, also, a grant of the island of Barbadoes, which had been taken possession of for the King of England by an English ship returning from Guinea in 1605, was obtained from James by his lord treasurer, Lord Leigh, afterwards Earl of Marlborough, for himself and his heirs in perpetuity ; and, under his sanction, a settlement was made upon it, and the town of James Town founded, in 1624, by a colony sent out at the expense of Sir William Courteen, or Courten, an opulent and spirited merchant.

of London. Various schemes had also been entertained and some of them in part carried into effect, though they all failed in the end, for establishing English colonies in the island of Newfoundland, and on the eastern coast of South America. But, even at the close of this reign, the parent colony of Virginia was still far from being in a satisfactory state, or holding out a complete assurance of stability and ultimate success. One of the last acts of James's government was to commission a number of noblemen and gentlemen to make inquiry into the condition of that colony : the courses taken for settling which, his majesty declares, had not had the good effect intended —a previous commission having reported that most of the persons sent thither had either died by sickness and famine, or been massacred by the natives ; and that such as still survived were in lamentable necessity and want ; notwithstanding all which, however, the commissioners conceived the country to be both fruitful and healthful, and that, if industry were used, it would produce many good staple commodities, though, by the neglect of the governors and managers, it had as yet produced few or none.

There was one commodity now beginning to be raised in Virginia, their cultivation of which would hardly contribute to recommend the settlers to James's favour. A considerable portion of his majesty's literary fame rested upon his singular treatise entitled "A Counterblast to Tobacco," in which he assails the use of that herb with every form of pedantic invective. Not satisfied with this grand display of declamatory pyrotechnics, he issued, besides, in the course of his reign, a succession of royal proclamations in denunciation of tobacco, some of which are almost as tempestuous as his book. In 1604, while as yet all the tobacco imported came from the Spanish West Indies, he took it upon him, without the consent of parliament, to raise the duty upon it from twopence to six shillings and tenpence a pound, with the professed object of preventing the enormous inconveniences proceeding, as he declared, from the great quantity of the article daily brought into the realm. "Tobacco," says

the commission directed upon this occasion to the lord-treasurer, "being a drug of late years found out, and brought from foreign parts in small quantities, was taken and used by the better sort, both then and now, only as physic to preserve health; but it is now at this day, through evil custom and the toleration thereof, excessively taken by a number of riotous and disorderly persons of mean and base condition, who do spend most of their time in that idle vanity, to the evil example and corrupting of others, and also do consume the wages which many of them get by their labour, not caring at what price they buy that drug: by which the health of a great number of our people is impaired, and their bodies weakened and made unfit for labour." In his "Counter-blast" he affirms that some gentlemen bestowed three, some four hundred pounds a-year "upon this precious stink;" an estimate in which the royal pen must surely be understood to be running on in poetic numbers. When the Virginian colonists began to cultivate tobacco, James complained that they made so much as to overstock the market; and in 1619 he issued a proclamation commanding that the production of it should not exceed the rate of a hundred weight for each individual planter. In this regulation, however, his majesty appears to have had an eye to the interests of the royal revenue as well as to the health of his people; for he at the same time confines the right of importing the commodity to such persons as he should license for that purpose; in other words, he takes the monopoly of it into his own hands, and avows it to be his object to raise its price. In a proclamation of the next year enforcing this restriction upon the cultivation of the plant, which had not been strictly attended to, he again inveighs against the use of tobacco, as "tending to a general and new corruption of men's bodies and manners." Nevertheless he holds it, "of the two, more tolerable that the same should be imported, amongst many other vanities and superfluities which come from beyond seas, than to be permitted to be planted here within this realm, thereby to abuse and misemploy *the soil of this fruitful kingdom.*" At length, in the last

year of his reign, on the petition of the House of Commons, James consented to prohibit the importation of all tobacco except such as should be of the growth of the English plantations; but this he professed to do without any abatement of his old and well-known aversion to the useless and pernicious weed, and solely because he had been often and earnestly importuned to that effect by many of his loving subjects, planters and adventurers in Virginia and the Somers Isles, on the ground that those colonies were but yet in their infancy, and could not be brought to maturity unless he should be pleased for a time to tolerate their planting and vending of tobacco. The proclamation also strictly prohibited the introduction of any tobacco from Scotland or Ireland; but it appears, from many more proclamations that were issued in the course of the next reign, absolutely forbidding the cultivation of the herb in any of the home dominions of the crown, that it continued to be raised in large quantities for a long time after this in England itself, as well as in both those countries.

The march both of colonization and of commerce appears to have been considerably accelerated during the space that elapsed from the accession of Charles I. to the breaking out of the war between the king and parliament. In the first year of his reign, Charles, on the ground that such a colony was not best managed by an incorporated company, "consisting of a multitude of persons of various dispositions, amongst whose affairs of the greatest moment are ruled by a majority of votes," ordained by a proclamation that the government of Virginia should henceforth depend immediately on himself, and be administered by a governer and resident council appointed by the crown and acting in subordination to the privy council at home. In making this change, Charles treated the charter of the Virginia Company as having been annulled by his father; and James, indeed, in his proclamation of the preceding year, already quoted, declares that, having by the advice of his privy council *resolved* to alter the charters of the said company as to *points of government*, and the treasurer and company not

submitting thereto, "the said charters are now avoided by a *quo warranto*." Charles, however, in his proclamation does not rest the right of the crown altogether upon this revocation ; he broadly advances the principle that these colonies, and, by implication, all others founded or occupied by English subjects, were essentially a portion of the dominion of the mother country :—"considering, also," are his words, "that we hold those territories of Virginia and the Somers Isles, as also that of New England, lately planted, with the limits thereof, to be a part of our royal empire." It is said that by this time the Virginian companies had expended a capital of not less than 200,000*l.*, from which they had as yet derived but a very inadequate return, so that many of the original adventurers, thoroughly weary of the speculation, had sold their shares for what they would bring. The failure of their expectations, however, did not check other attempts of the same kind. Almost all the West India islands not previously settled upon were taken possession of and colonized within a few years from this date. In 1627 an English and a French company divided the island of St. Christophers between them ; and the next year the English added to the territory in their occupation the neighbouring small isle of Nevis, and also sent off a detachment of their body to Barbuda, as they likewise did others in subsequent years to Montserrat and Antigua. Meanwhile, in 1629, Charles confirmed a former grant to James Hay, Earl of Carlisle, and to his heirs for ever, of all the Caribbee Islands, as they were called, including both those that have just been mentioned and also Barbadoes, with regard to which an arrangement had been made with the former grantee, the Earl of Marlborough. That same year he granted in perpetuity to Sir Robert Heath and his heirs all the Bahama or Lucaya Isles, together with what was then called the Province of Carolana on the Continent of North America, being the immense region now forming the States of North and South Carolina, Georgia, Tennessee, and the southern part of Louisiana. This vast territory was afterwards conveyed by Heath to the Earl

of Arundel, who had planted some parts of it before the civil wars at home interrupted his operations. The Bahama Islands are also believed to have been begun to be planted about this time. In 1632 a part of what had till now been considered as the territory of Virginia was granted by Charles to be held in free and common socage by Lord Baltimore, his majesty at the same time giving it the name of Maryland, in honour of the queen. Lord Baltimore was a Roman Catholic ; and Maryland, which began to be colonized within two years from the date of the charter, afterwards formed the main refuge of the persons of that religion who were driven by the severity of the penal laws from England, greatly to the perturbation and rage of their puritan neighbours in Virginia, who made several attempts to drive the idolaters from a soil which, besides its having been thus desecrated, they regarded as rightfully belonging to their own colony. And in 1641, after the failure of a similar attempt made some years before, an English colony was settled, at the expense of Lord Willoughby, in Surinam, on the southern continent of America,—the Guiana the dream of whose gold mines lured on Raleigh to his fatal expedition.

The course of the growth and extension of the foreign commerce of the country during this interval is marked by few incidents requiring to be specially recorded, but the general results show that the progress made must have been considerable. An account of the height to which the trade of England had arrived in 1638 is given by Lewes Roberts in his work entitled “The Merchant’s Map of Commerce,” published at London in that year ; and a summary of what is most material in his statements, with a few additional notices from other sources, will be sufficient for our present purpose. Roberts, a native of the principality, is almost as eloquent in some passages as his countryman Fluellen ; but even his flourishes have their value as expressing something of the high tone and bearing which English merchants now assumed. He enters upon his description all but overwhelmed by the magnitude to which the commerce of

his country had attained, scarcely allowing himself to hope that it can long continue of the same extent, and almost afraid to advert to anything apparently so extravagant, and merely within the limits of possibility, as the notion that it should ever become greater than it was. "When I survey," he exclaims, "every kingdom and great city of the world, and every petty port and creek of the same, and find in each of these some English prying after the trade and commerce thereof, . . . I am easily brought to imagine that either this great traffic of England is at its full perfection, or that it aims higher than can hitherto by my weak sight be either seen or discerned. I must confess England breeds in its own womb the principal supporters of its present splendour, and nourisheth with its own milk the commodities that give both lustre and life to the continuance of this trade, which I pray may neither ever decay, nor yet have the least diminution. But England being naturally seated in another corner of the world, and herein bending under the weight of too ponderous a burden, cannot possibly always and for ever find a vent for all those commodities that are seen to be daily imported and brought within the compass of so narrow a circuit; unless there can be by the policy and government of the state a mean found out to make this island either the common emporium and staple of all Europe, or at leastwise of all these our neighbouring northern regions."* He then proceeds to observe that English commerce was formerly confined to the export of the staple merchandise of the country, "such as are cloths, lead, tin, some new late draperies, and other English real and royal commodities," and to the import from foreign parts of mere supplies for ourselves; but that "the late great traffic of this island hath been such that it hath not only proved a bountiful mother to the inhabitants, but also a courteous nurse to the adjoining neighbours;" so that whatever trade they had lost we had gained, and they now obtained a large portion of what

* *Map of Commerce*, fol. Lon. 1638, Part ii. p. 257.

they consumed of the produce of distant parts of the world through the medium of England.* Thus England, he proceeds, had fallen into the traffic with India, Arabia, and Persia, which was formerly enjoyed by Venice, and now furnished that very city plenteously with the rich commodities of these eastern countries. London also supplied the place of Venice to the rest of Italy. To France England still brought the excellent commodities of Constantinople, Alexandria, Aleppo, and the rest of the Turkish dominions, the French having almost lost their own trade with those parts. Nay, to the Turks themselves England now conveyed the precious spices of India, after their own merchants had ceased to carry on that trade. "Will you," continues our author, "view Muscovia, survey Sweden, look upon Denmark, peruse the East Country and those other colder regions; there shall you find the English to have been; the inhabitants, from the prince to the peasant, wear English woollen livery, feed in English pewter, sauce with English Indian spices, and send to their enemies sad English leaden messengers of death. Will you behold the Netherlands, whose eyes and hearts envy England's traffic, yet they must perforce confess, that, for all their great boasts, they are indebted to London for most of their Syria commodities, besides what of other wares else they have of English growth. Will you see France, and travel it from Marselia to Calais, though they stand least in need of us, yet they cannot last long without our commodities. And for Spain, if you pry therein from the prince's palace to the poor man's cottage, he will *voto a Dios* [vow to God] there is no clothing comparable to the English bay, *nor pheasant excelling a seasonable English red herring!*" So ambitious a burst of rhetoric might have had a more imposing close; but the red herring serves not ill to introduce the more calm and prosaic statement of particu-

* The original is a little obscure here, apparently through some typographical error; but, from what follows, the sense of the passage appears to be as we have given it.

lars to which Mr. Roberts now descends from these extensive general views.

In a letter written to King James, in support of the complaints of the Merchant Adventurers against the patent or charter granted, as mentioned in a former page, to Alderman Cockayne, the great Bacon says, “ I confess I did ever think that trading in companies is most agreeable to the English nature, which wanteth that same general view of a republic which runneth in the Dutch, and serves them instead of a company.” And this appears to have been the common notion of the times ; whatever trade was carried on by private individuals was as yet considered to be of very secondary importance. In this feeling our author begins his enumeration with the East India Company, who, he says, trading to Persia, India, and Arabia, export to these countries our English commodities, and bring back thence “ pepper, cloves, maces, nutmegs, cottons, rice, calicoes of sundry sorts, bezoar stones, aloes, borax, calamus, cassia, mirabolans, myrrh, opium, rhubarb, cinnamon, sanders, spikenard, musk, civet, tamarinds, precious stones of all sorts, as diamonds, pearls, carbuncles, emeralds, jacinths, sapphires, spinals, turques, topazes, indigo, and silks, raw and wrought into sundry fabrics, benjamin, camphire, sandal-wood, and infinite other commodities.” “ And, though in India and these parts,” he adds, “ their trade equalizeth not neither the Portugals nor the Dutch, yet in candid, fair, and merchant-like dealing, these Pagans, Mahometans, and gentiles hold them in esteem far before them, and [they] deservedly have here the epithet of far more current and square dealers. And, although for the present this trade and company do suffer under some adverse clouds, and groan under some unkind losses by the falsehood of the Netherlanders, and sad accidents at sea, yet their adventures and acts are praiseworthy, and their fair endeavours for England’s honour in point of trade meriteth due commendations and just applause.” The affairs of the company, in truth, had been all this reign in a very depressed state. In May, 1628, their stock had fallen to 80 per cent., or to less than two

fifths of the price at which it had sold eleven years before. At length in 1631, a new stock of 420,000*l.* was raised with great difficulty. But, while they were still struggling with inadequate means and with the hostility of the Dutch and Portuguese abroad, they were suddenly involved in still more serious embarrassments by a flagrant violation of their charter on the part of the king, who in December, 1635, granted a new charter to Sir William Courten and others to trade for five years to Goa, Malabar, China, and Japan. Under this authority Courten and his associates the next year fitted out and dispatched some ships on an adventure, in the course of which they became embroiled first with the Mogul, and then with the Chinese; the former of whom made reprisals upon the property of the original company, while the latter declared the English, with whom they were now brought into contact for the first time, to be the enemies of the empire, and as such to be for ever excluded from its ports. By these and other proceedings, it was estimated that this new company, whose charter was confirmed and extended by the king in 1637, had injured the old company to the amount of fully 100,000*l.* before it was dissolved in 1646, by which time it had also, according to their own account, occasioned a loss to Courten and his associates of above 150,000*l.*

The Turkey Company is the next that Roberts notices. Of this body he says, "Not yearly, but monthly, nay, almost weekly, their ships are observed to go to and fro, exporting hence the cloths of Suffolk, Gloucester, Worcester, and Coventry, dyed and dressed, kerseys of Hampshire and York, lead, tin, and a great quantity of the abovesaid India spices, indigo, and calicoes; and in return thereof import from Turkey the raw silks of Persia, Damasco, Tripoly, &c.: galls of Mosolo and Toccat; chamlets, grograms, and mohairs of Angora; cottons and cotton-yarn of Cyprus and Smyrna, and sometimes the gems of India, and drugs of Egypt and Arabia, the muscadins of Candia, the corance (currants) and oils of Zante, Cephalonia, and Morea, with sundry others." *The mention of cotton by Roberts in these accounts of*

the exports of the East India and Turkey companies appears to have been generally overlooked ; the earliest notice either of the English cotton manufacture or of the import of the raw material being commonly stated to be that found in his subsequent work, "The Treasure of Traffic," published in 1641, where it is said, "The town of Manchester, in Lancashire, must be also herein remembered, and worthily for their encouragement commended, who buy the yarn of the Irish in great quantity, and, weaving it, return the same again into Ireland to sell. Neither doth their industry rest here ; for they buy cotton-wool in London that comes first from Cyprus and Smyrna, and at home work the same, and perfect it into fustians, vermillions, dimities, and other such stuffs, and then return it to London, where the same is vented and sold, and not seldom sent into foreign parts, who have means at far easier terms to provide themselves of the said first materials." This account implies that the cotton manufacture had already reached a point of considerable advancement, so that it must have been established for some years at the time when the "Treasure of Traffic" was written. Various old acts of parliament and other authorities, it may be observed, make mention of Manchester cottons and cotton-velvets before the seventeenth century ; but it is certain that the fabrics so denominated were all really composed of sheep's wool. The manufacture of cottons, properly so called, in England cannot be traced farther back than to the period with which we are now engaged, the early part of the reign of Charles I.

The Ancient Company of the Merchant Adventurers is the third in Roberts's list. They are described as furnishing the cities of Hamburg, Rotterdam, and others in the Netherlands with English cloth of sundry shires, and some other commodities, monthly, and as bringing back thence to England tapestries, diaper, cambrics, Hollands, lawns, hops, mather, (madder), steel, Rhenish wines, and many other manufactures, as blades, stuffs, soap, latten, wire, plates, &c. In 1634 the *Company of Merchant Adventurers*, whose exclusive

privileges we have seen denounced by the House of Commons ten years before, had found means to induce Charles to issue a proclamation which restored their monopoly by strictly prohibiting the exportation of “any white cloths, coloured cloths, cloths dressed and dyed out of the whites, Spanish cloths, baizes, kerseys, perpetuanos, stockings, or any other English woollen commodities,” to any part either of Germany or the Netherlands, except to the marts or staple towns of the company. It was alleged by their enemies that both now and on former occasions the company were indebted for the favour shown them to the new-year’s gifts with which they bribed the courtiers or officers of state. It is asserted, for instance, that, in the year 1623, the lord treasurer was presented by them with two hundred broad pieces of gold, besides a piece of plate; and that other presents were also then made to the Duke of Buckingham, the *Archbishop of Canterbury*, the Lord Keeper, the Lord President, the Secretaries of State, &c.*

The Eastland and Muscovy (or Russian) Companies are stated to “export principally cloth, as the best commodity, as also tin, lead, with some spices of India, and other southern commodities, and to bring home ashes, clapboard, copper, deals, firs, rich furs, masts, pipe-staves, rye, timber, wainscot, wheat, fustians, iron, latten, linen, matthers, quicksilver, flax, hemp, steel, caviare, cordage, hides, honey, tar, ropes, tallow, pitch, wax, rosin, and sundry others.” The exports of the French Company were cloths, kerseys, and bays of English manufacture, with galls, silks, and cottons from Turkey; their imports, buckrams, canvas, cards, glass, grain, linens, salt, claret, and white wines, woad, oils, almonds, pepper, with some silk stuffs and some other petty manufactures. England and France, however, were at this time, as they have continued to be, with little interruption, down almost to the present day, jealous rivals, when they were not open enemies, in

* These allegations are made in a treatise entitled *Free Trade*, by J. Parker, published in 1648.—Anderson, ii. 358.

trade as in everything else, and the commercial intercourse between them was extremely insignificant. Although Roberts here speaks of the French Company, it does not appear that the English merchants trading to France were really incorporated. The merchants trading to Spain, he proceeds to inform us, carried to that country bays, says, serges, perpetuanos, lead, tin, herrings, pilchards, salmon, Newland (Newfoundland) fish, calf-skins, with many other commodities ; and brought back wines of Xeres, Malaga, Bastard, Candado, and Alicant, rosins (or resins), olives, oils, sugars, soaps, anise-seeds, licorice, soda barillia, pate (?), and sundry West India commodities. This account embraces also the trade with Portugal, for the present united under the same sovereignty with Spain ; although in 1640, two years after the publication of Roberts's book, the great revolution which placed the Duke of Braganza on the Portuguese throne again separated the two countries for ever,—an event, which, by depriving Spain of the Portuguese possessions in the East Indies, compelled her to depend upon the English and Dutch for her supplies of the produce of that part of the world, and thereby opened a new and valuable field to the trade of both these nations. “The merchants of England trading into Naples, Sicilia, Genoa, Leghorn, and Venice, &c., which I term Italy, are not,” says our author, “observed to have any joint society or company :” but, trading separately, they export to Italy, he tells us, “bays, says, serges, perpetuanos, kerseys, lead, tin, cloth, and many other native commodities, besides pepper, indigo, cloves, and other Indian commodities in great abundance : and for returns thence have cloths of gold and silver, satins, velvets, taffetas, pluses, tabins (?), damasks, alum, oils, glass, anise-seeds, rice, Venice gold and silver, great quantity of raw silks of sundry sorts, and divers other commodities.” “And here likewise,” he adds, repeating nearly the same formula with which he has wound up every preceding paragraph, “all other foreign nations give willingly place to the English, as the prime and principal merchants that either abide amongst them, or negotiate

with them." Of some other branches of our commerce he gives merely a naked enumeration; thinking it unnecessary "to insist upon the reliques of that famous Barbary trade," or to mention "the petty adventures of the English to Guinea and Beny (or Benin);" "neither," says he in conclusion, "need I nominate the homeland commerce of this kingdom to Scotland and Ireland; neither go about to particularise the large traffic of this island to their late plantations of Newfoundland, Somers Islands, Virginia, Barbadoes, and New England, and to other places which rightly challenge an interest in the present trade and traffic of this kingdom."

The comparative activity and prosperity of the national industry at this time is also indicated by various improvements that were now introduced. Hackney coaches are said to have made their first appearance in London in the year 1625. They were then only twenty in number for the whole of the capital and contiguous parts, and they did not ply in the streets, but were sent for by those who wanted them to the stables of certain inns, where they stood. Ten years later, however, we find the king publishing a proclamation, in which he declares that the great numbers of hackney coaches of late time seen and kept in London, Westminster, and their suburbs, and the general and promiscuous use of coaches there, were not only a great disturbance to his majesty, his dearest consort the queen, the nobility, and others of place and degree, in their passage through the streets; but the streets themselves were so pestered, and the pavements so broken up, that the common passages were hindered and made dangerous, and besides the priccs of hay and provender made exceeding dear. "Wherefore," concludes the proclamation, "we expressly command and forbid that no hackney or hired coaches be used or suffered in London, Westminster, or the suburbs thereof, except they be to travel at least three miles out of the same. And also that no person shall go in a coach in the said streets, except the owner of the coach shall constantly keep up four able horses for our service when required." Such an edict as this, w-

insolent in its tone, so arbitrary and absurd in its exactations, enables us to measure the distance between the sixteenth and the nineteenth century,—between English freedom as it existed before the civil wars and as it now exists. Two years later the first mention of the licensing of hackney coaches occurs, in a commission directed to the Marquess of Hamilton, the master of the horse, in which his majesty admits that he finds it very requisite for his nobility and gentry, as well as for foreign ambassadors, strangers, and others, that there should be a competent number of such vehicles allowed for their use; and empowers the marquess to license fifty hackney coachmen for London and Westminster, each to keep no more than twelve horses a-piece, and so many in other cities and towns of the kingdom as in his wisdom he should think to be necessary, all other persons being prohibited to keep any hackney coach to let or hire, either in London or elsewhere. In 1634, also, sedan chairs had been brought into use by Sir Sanders Duncomb, to whom the king granted the sole privilege of letting them to hire for fourteen years, the patent declaring that the streets of London and Westminster and their suburbs had been of late so much encumbered with the unnecessary multitude of coaches, that many of his majesty's subjects were thereby exposed to great danger, and the necessary use of carts and carriages for provisions was much hindered; whereas Sir Sanders had represented that in many parts beyond sea people were much carried about in covered chairs, whereby few coaches were used amongst them. If the inditer of this description of the terrors of the London streets from the crowd of coaches in the year 1634 could be brought back out of his grave, it would be amusing to see how he would look when he found himself in the midst of the torrent and tumult of Regent Street or Piccadilly in the present day. Another of the patents of the same year deserves notice,—that granting to John Day, citizen and sworn broker of London, the sole privilege of vending for fourteen years a certain weekly bill of the several rates or prices of *all* commodities in the principal cities of

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Christendom, which it seems he had printed and published for the three preceding years. The patent recites that this practice of publishing a price-current for the use of the commercial world had "never yet been brought here to that perfection answerable to other parts beyond sea;" "by which neglect," adds his majesty, "with our city of London (being one of the mother cities of trade in all Christendom) our said city is much disgraced, and our merchants hindered in their commerce and correspondence." The next year produced a more important novelty,—the first establishment of a regular though limited, system of internal posts. James I. had originally established a post-office for the conveyance of letters to and from foreign parts; and the control and profits of this foreign post-office, which is described as for the accommodation of the English merchants, had been confirmed and continued to William Frizell and Thomas Witherings, by Charles, in 1632. But the origin of the home post-office dates only from 1635. Up to this time, his majesty observes, in a proclamation on the subject, there had been no certain intercourse between the kingdoms of England and Scotland; wherefore he now commands his postmaster of England to foreign parts to settle a running post or two, to run night and day between Edinburgh and London, to thither and come back again in six days; and to establish with them all such letters as shall be directed to any post-town in or near that road. Bye-posts are, at the same time, ordered to be connected with several places on the main line to bring in and carry out the letters from and to Lincoln, Hull, and other towns. A similar post to Chester and Holyhead, and another to Exeter and Plymouth, are at the same time ordered to be established; and it is promised that as soon as possible like conveyances should be settled for the Oxford and Bristol road, and also for that leading through Colchester and Norwich. The rates of postage are fixed at two pence the single letter for any distance under eight miles; four-pence up to a hundred and forty miles; six pence for any longer distance; eight-pence to any place

in Scotland. It is ordered that no other messengers nor foot-posts shall carry any letters, but those alone which shall be employed by the king's post-master-general, unless to places to which the king's posts do not go, with the exception of common known carriers, or messengers particularly sent on purpose, or persons carrying a letter for a friend. The mode of conveyance contemplated in this scheme was by persons riding on horseback, which indeed continued to be the general system of our post-office down to within the last fifty or sixty years; the proclamation directs that two-pence-halfpenny per mile shall be paid on the roads to the several post-masters for every single horse carrying the letters. We may observe that, if this post established by Charles I. actually made out the distance between London and Edinburgh in three days, it was a quicker conveyance than the public were possessed of a century later. "The conveyance of post-letters," says Giles Jacob, in the second edition of his Law Dictionary, published in 1732, extends to every considerable market-town, and is so expeditious that every twenty-four hours the post goes six score miles." But at the rate appointed in Charles's proclamation the post between Edinburgh and London must have gone fully seven score miles in the twenty-four hours. It is believed, however, that the project was not fully carried into effect. Witherings, who was now inland as well as foreign postmaster, was superseded in 1640 for abuses in the execution of both his offices; and they were sequestered into the hands of Philip Burlama-chy, to be exercised henceforth under the care and oversight of the king's principal secretary of state. From that date, therefore, the Post-Office may be considered as a public establishment.

The continued growth of London affords another proof of the advancing condition of the national commerce, industry, and wealth. Repeated proclamations were published both by James and Charles, as they had been by Elizabeth, with the view of checking the further increase of the capital, which all forcibly attest how irresistibly *the evil*, as they imagined it to be, made head

against their most strenuous efforts. One proclamation of Charles, in 1630, forbade the erecting of any houses or new foundations in London, Westminster, or within three miles of any of the gates of London or of the palace of Westminster ; and also the entertaining of additional inmates in houses already existing, " which," says his majesty, " would multiply the inhabitants to such an excessive number that they could neither be governed nor fed." Another measure, repeatedly adopted by both these kings, was to order all mere visitors to the capital to leave it and go back to their homes in the country. In 1617 a proclamation by King James strictly commanded all noblemen, knights, and gentlemen, who had mansion-houses in the country, to depart within twenty days, with their wives and families, out of the city and suburbs of London, and to return to their several habitations in the country, there to continue and abide until the end of the summer vacation, " to perform the duties and charge of their several places and service ; and likewise, by house-keeping, to be a comfort unto their neighbours, in order to renew and revive the laudable custom of hospitality in their respective counties." None were to be allowed to remain, except those having urgent business, to be signified to, and approved by, the privy council. Again, in 1622, in one proclamation he commanded all noblemen and gentlemen, having seats in the country, forthwith to go home to celebrate the feast of Christmas, and to keep hospitality in their several counties,— " which " said he, " is now the more needful, as this is a time of scarcity and dearth ;" and, in a second, he enjoined the persons thus relegated to the country to remain there till his further pleasure should be known, adding, that the order should be held to include widows of distinction, and that all such lords and gentlemen as had law-business to bring them up to London should leave their wives and children in the country.

Of many proclamations of the same kind issued by Charles we shall notice only one, of the year 1632, in which his majesty argues that, by the nobility and gentry

residing in London with their families, a great part of their money and substance was drawn away from the several counties whence it arose, "and spent in the city on excess of apparel, provided from foreign parts, to the enriching of other nations, and the unnecessary consumption of a great part of the treasure of this realm, and in other vain delights and expenses, even to the wasting of their estates." The practice, it is added, also drew great numbers of loose and idle people to London and Westminster, which thereby were not so easily governed as formerly; besides that the poor-rates were increased, and the price of provisions enhanced. Much of all this wisdom of our ancestors is sufficiently absurd; but in regard to the point last touched upon here it is but fair to remember, that, from the difficulties of conveyance between one part of the country and another, any extraordinary accumulation of people upon one spot was in those days reasonably regarded with more alarm, for the pressure it might occasion upon the local provision-market, than it would be now, when the whole kingdom is in a manner but one market. Still, no doubt, the right way to treat the inconvenience was, as with all such mere economic tendencies, to leave it to correct itself.

Howel, in his *Londinopolis*, published in 1657, observes that the Union of the two crowns of England and Scotland, by the accession of James in 1603, conduced not a little to unite also the two cities of London and Westminster, which were once above a mile asunder; "for," says he, "the Scots, greatly multiplying here, nestled themselves about the court; so that the Strand, from the mud walls and thatched cottages, acquired that perfection of buildings it now possesses." Some years after James's accession, however, we find St. Giles's-in-the-Fields still spoken of, in an act of parliament for paving it, as a town separate from the capital: it and the lane called Drury Lane, leading from it to the Strand, are described in the act as "of late years, by occasion of the continual road there, and often carriages, become deep, foul, and dangerous to all that pass those ways."^{*}

* Stat. 3 Jac. I. c. 22 (1606).

But before the beginning of the civil war, St. Giles's, too, had been completely united to the body of the great congeries upon the outskirts of which it formerly lay apart; and a large portion of what was now known as the capital, including Clare Market, Long Acre, Bedfordbury, and the adjoining ranges of streets, stood upon the soil of the parish of St. Giles's-in-the-Fields.¹ The very names of the older streets about Covent Garden,² it serves a writer about the middle of the last century, in a passage which furnishes a curious and comprehensive retrospect of these and also of some subsequent changes, "are taken from the royal family at this time. (Indeed, in the reign of King Charles II., as Catherine Street, Duke Street, York Street, &c.), such as James Street; King Street, Charles Street, Henrietta Street, &c., all laid out by the great architect Inigo Jones, who made the fine piazza there; although that part where stood the house and gardens of the Duke of Bedford is of a much later date, namely, in the reigns of King William and Queen Anne. Bloomsbury and the streets at the Seven Dials were built up somewhat later; as also Leicestershire Fields, namely, since the restoration of King Charles II., as were also almost all St. James's and St. Anne's parishes, and a great part of St. Martin's and St. Giles's. I have met with several old persons in my younger days, who remembered that there was but one single house (a cake house) between the Mews Gate at Charing Cross, and St. James's Palace Gate, where now stand the stately piles of St. James's Square, Pall Mall, and other fine streets. They also remembered the west side of St. Martin's Lane to have been a quickset hedge. Yet High Holborn and Drury Lane were filled with noblemen's and gentlemen's houses almost one hundred and fifty years ago. Those fine streets on the south side of the Strand, running down to the River Thames, have all been built since the beginning of the seventeenth century, upon the sites of noblemen's houses and gardens, who removed farther westward, as their names denote. Even some parts within the bars of the city of London, remained unbuilt within about one hundred and fifty

years past; particularly all the ground between Shoc Lane and Fewter's (now Fetter) Lane, 'so called,' says Howel, in his *Londinopolis*, 'of Fewters (an old appellation of idle people) loitering there, as in a way leading to gardens ;' which in King Charles I.'s reign, and even some of them since, have been built up into streets, lanes, &c. Several other parts of the city, it is well known, have been rendered more populous by the removal of the nobility, &c., to Westminster libertics; on the sites of whose former spacious houses and gardens whole streets, lanes, and courts have been added to the city since the death of Queen Elizabeth."* In 1609, it may here be mentioned, what is called the New River, by which the greater part of the metropolis is still supplied with water, was, after three years' labour, brought into the reservoir at Clerkenwell, by the enterprising and public-spirited projector, Mr. Hugh Middleton, citizen and goldsmith of London, who was thereupon knighted by King James. One of the patents granted by King Charles in 1630 was for the conveying of certain springs of water into London and Westmainster from within a mile and a half of Hodsdon in Hertfordshire, after the plan of a projector named Michael Parker. This scheme, however, does not appear to have taken effect, and it only deserves notice from the circumstance that, to defray their expenses,—a considerable item of which was to be a payment of 4000*l.* a-year into the king's exchequer—the royal grant gave the undertakers "a special licence to erect and publish a lottery or lotteries," "according," it is added, "to the course of other lotteries heretofore used or practised." Lotteries had been for more than half a century before this occasionally resorted to by the government for raising money for particular purposes; the earliest on record, it is said, having occurred in the year 1569, when 20,000*l.* was raised for the repair of certain harbours by the sale of 40,000 tickets at ten shillings each, the prizes being articles of plate. Another lottery was drawn under the sanction of public authority

* Anderson, *Hist. of Com.* ii. 390.

in the reign of James I., to defray the expenses attending certain of the early settlements in America.

The commercial history of the remainder of the present period will not detain us long. The trade and industry of the country in all their branches suffered of necessity considerable depression during the continuance of the war ; but, after the re-establishment of tranquillity and a settled government, great pains were taken by the parliament and by Cromwell to bring about their revival, and, on the whole, with very considerable success.

We shall first enumerate the few facts requiring notice in the history of the several great chartered companies. In 1643 a number of the proprietors of the East India Company were at length induced to subscribe a new stock, but only to the inadequate amount of 105,000*l.* Great part of this money was soon after lost in various ways ; and for some years the trade could scarcely be said to be carried on at all. It is worthy of remark, however, that it was during this period the company acquired two of its most important possessions, the town of Madraspatnam, or Madras, long the seat of their supreme government in India, and still the capital of one of the presidencies, which was ceded to them by the sovereign of the country in 1643 ; and the island of St. Helena, of which they took possession in 1651, on its abandonment by the Dutch. Meanwhile, in 1649, a subscription for a new stock had been opened ; but, although encouraged by the parliament, it proceeded slowly, and by the following year had only produced about 192,000*l.* With a small part of this they soon after engaged in the Guinea trade, a charter to carry on which for five years they obtained from the parliament in 1651. In 1654, on the conclusion of peace with Holland, commissioners from both parties were appointed to settle the claims brought by the English and Dutch companies against each other for depredations and other injuries committed before the war ; when the English gave in an account of 2,795,990*l.* 19*s.*, which the Dutch met by one of 2,919,861*l.* 3*s.* 6*d.* ; but, in the end, the commissioners decided that a sum of 85,000*l.* should be paid by the

Dutch, besides about 3600*l.* to the heirs of certain of the sufferers of Amboyna,—an award for which the English Company was probably as much indebted to the humbled condition of the United Provinces at the moment as to the clear justice of the case. For some years longer, however, the company's trade could hardly be said to exist. Any private adventurer who chose to fit out a ship for India was connived at by the government in violating their privileges, so that the company, as a body, carried on what little trade they did merely for the sake of preventing their charter from being abrogated on the pretext that they made no use of it, and in the hope of better times. It is said, too, that in the scramble for the Indian trade which now ensued,—at once inundating India with the manufactures of England and England with the produce of India,—the interlopers in general made as scanty profits as the company, so that at last most of them joined in urging upon the government the re-establishment of the old exclusive system. Their so acting, however, is not decisive as to the absolute failure of the experiment of a free-trade that had thus been tried, inasmuch as their proposition was avowedly made with the view of becoming themselves members of the company when it should be set up again with a new stock and a new charter. Still it is probable that commercial enterprise was not yet sufficiently advanced in England to have enabled the country to carry on the Indian trade successfully by the mere efforts of individuals against the powerful rivalry of the Dutch and Portuguese monopolies. At last, in October, 1657, a new charter was granted to the company for seven years, after they had actually, in despair of obtaining the protection of the government, put up bills in the Royal Exchange in the preceding January, offering their property and their privileges, such as they were, for sale. On this a new stock of about 370,000*l.* was raised, which immediately placed the affairs of the company in a flourishing condition, and enabled it to carry on the trade with a spirit and success which continued without interruption or abatement till the Restoration. *A short paragraph from the annalist of our Indian*

commerce, whom we have chiefly followed in this summary, will explain the state of its establishments abroad at the close of the present period. "In the infancy of the company's commerce, Bantam was the chief factory, to which all the others were subordinate; and so they continued till the year 1638 or 1639, when Surat became the chief establishment, and the factories of Bantam, Fort St. George (or Madras), Hooghly in Bengal, and those in Persia, were made subordinate to it. In the year 1660 the company sent out orders to give up the inland factories of Agra and Amadavat, as also Mocha in the Red Sea, and Bussorah at the head of the Persian Gulf. Their port of Gombroon being of doubtful utility, it was referred to further consideration whether it should be kept up or abandoned. It was determined to retain Carwar, Calavella, Rajapore, and Scindy as long as the customs in Persia should continue to be paid; and these factories were made subordinate to Surat. The factories on the coast of Coromandel and in the Bay of Bengal were put under one agent at Fort St. George (or Madras), who was directed to use his best endeavours to obtain a settlement in Ceylon."*

The trade in woollens with the Netherlands and Germany, carried on, as heretofore, by the company of Merchant Adventurers, continued in a very prosperous condition during all the time of the Commonwealth. In 1647 the company removed their comptoir, or foreign residence, from Delft to Dort, and here they remained, notwithstanding repeated invitations from the magistrates of Bruges to return to that city, in which they had originally fixed themselves, till about the year 1651, when they began to remove to Hamburgh, which soon after became the sole staple for the English woollen trade. An ordinance of the Lords and Commons in 1643 granted a new and more ample charter to the Levant Company, "which," said the ordinance, "beside the building and maintaining of divers great ships, and the venting of kerseys, sayes, perpetuanos, and several

* Maepherson, Hist. of European Com. with India, p. 125.

other commodities, hath been found very serviceable to this state, by advancing navigation and transporting into foreign parts, for several years together, above 20,000 broad-cloths, besides other commodities, dyed and dressed in their full manufacture." Among the productions of the East soon after this imported in considerable quantities by the Levant Company, was coffee. It is said that coffee was first introduced into England in 1652 by a Turkey merchant of the name of Edwards, who had brought home with him a Greek servant accustomed to make it, and whom he set up in a coffee-house in St. Michael's Alley, Cornhill, on the spot where the Virginia Coffee-house now stands. The valuable privileges of the Russian Company were taken from them by the czar a short time before King Charles's death, on the pretence that certain members of the company had taken an active part on the side of what the czar considered a rebellion against their lawful sovereign; but it appears that whatever resentment may have been entertained against them on that account was at least very dexterously taken advantage of by the Dutch, who seized the opportunity of bargaining for a share of the Archangel trade on condition of paying a duty of fifteen per cent. on all exports and imports. For some years after this the English trade to Russia seems to have been almost suspended; nor did a sort of embassy, sent to the czar, or emperor as he styled him, by Cromwell in 1654, succeed in obtaining more than some very petty concessions.

Till the year 1641 the only produce of the island of Barbadoes consisted of very bad tobacco and a little cotton and ginger; but in that year some of the planters procured a few sugar-canies from Fernambuc in Brazil, which thrived so well, that, after a season or two, a small ingenio, or mill for the manufacture of sugar, was set up in the island. Yet in 1647, when Ligon, the author of the "History of Barbadoes," who gives this account, arrived in the island, although there were then many sugar-works set up, the people were still ignorant of the true manner of planting, the time of cutting the

canes, and other particulars in the art of cultivating the plant. All these deficiencies, however, were soon got over—the business of sugar-making was carried on every year to a greater and greater extent; and many large fortunes were amassed by the planters in a wonderfully short time. The author of a pamphlet entitled "Trade Revived," published in 1659, speaks of Barbadoes as "having given to many men of low degree exceeding vast fortunes, equal to noblemen." He adds, that "upwards of a hundred sail of ships there yearly find employment, by carrying goods and passengers thither, and bringing thence other commodities; whereby seamen are bred, and custom increased, our commodities vended, and many thousands employed therein, and in refining sugar therefrom, which we formerly had from other countries." Till this extended cultivation of sugar in Barbadoes, all of that article consumed in England had been obtained from the Portuguese territory of Brazil. Nor were the English in Barbadoes long in imitating their Portuguese rivals on the southern continent of America in another branch of trade which has darkened the history of the rearing of the sugar-cane wherever it has spread over those regions,—the importation of negroes from the opposite coast of Africa. The rapid increase, again, of the population of this and our other West Indian settlements thus produced soon created a large demand for necessities of all kinds from England. While the trade, however, between the mother country and her colonies was still only growing up to this state, an ordinance of the Lords and Commons, in 1646, although acknowledging in the preamble that the several plantations of Virginia, Bermuda, Barbadoes, and other places of America had been very beneficial to the kingdom by the increase of navigation and of the customs arising from the import of the commodities of their growth, and thereupon continuing for three years longer the exemption from all duties except the new duty of excise which home produce and manufactures carried out to these plantations had hitherto enjoyed, imposed, for the first time, the important restriction that "none in any of the ports of

the said plantations do suffer any ship or vessel to lade any goods of the growth of the plantations, and carry them to foreign parts, except in English bottoms, under forfeiture of the before-named exemption from customs." We shall presently find this principle carried out to its full extent in a subsequent much more memorable measure of the Rump parliament. Meanwhile, during the dissensions that raged at home, and after the triumph of the parliamentary cause, great numbers of the royalists had sought refuge in Virginia, Barbadoes, and the other West India settlements ; so that the white population of these dependencies was in general fiercely opposed to the new government, and they might be said to be in a state of rebellion after all the rest of the empire had been reduced to submission and quiet. Barbadoes, indeed, had actually received Lord Willoughby as governor under a commission from Charles II., then in Holland, and had proclaimed Charles as king. It was in these circumstances that the English parliament, in 1651, with the view of punishing at once the people of the colonies and the Dutch, who had hitherto enjoyed the greater part of the carrying-trade between the West Indies and Europe, passed their famous Navigation Act, declaring that no merchandise either of Asia, Africa, or America, except only such as should be imported directly from the place of its growth or manufacture in Europe, should be imported into England, Ireland, or any of the plantations in any but English-built ships, belonging either to English or English-plantation subjects, navigated by English commanders, and having at least three-fourths of the sailors Englishmen. It was also further enacted that no goods of the growth, production, or manufacture of any country in Europe should be imported into Great Britain except in British ships, or in such ships as were the real property of the people of the country or place in which the goods were produced, or from which they could only be, or most usually were, exported. Upon this law, which was re-enacted after the Restoration, and which down to our own day has *been generally regarded and upheld as the palladium of*

our commerce; and the maritime Magna Charta of England, we shall only at present observe that one of its first consequences was undoubtedly the war with Holland, which broke out the year after it was passed. It is admitted also, we may add, by a writer who ranks among its most zealous eulogists, that it "occasionsed at first loud complaints that, though our people had not shipps enough to import from all parts whatever they wanted, they were nevertheless, by this law, debased receiving due supplies of merchandise from other nations, whenever they could, and till then did, import them." * The Barbadians were at length, not without much difficulty, compelled to surrender their island to the parliamentary forces under Sir George Ayscue, in March, 1652; but even after this, they continued, notwithstanding the prohibitory act, to keep up a considerable intercourse with the Dutch, which was connived at by the government. The wealth and importance of Barbadoes, however, were considerably reduced by Cromwell's conquest, in 1660, of Jamaica, to which many of the planters soon after now moved, induced principally by the greater cheapness of land in that island.

The legal rate of interest on money had continued to be ten per cent., as fixed by the act of 1571, till, in 1624, it was reduced to eight per cent. by the statute 21 Jac. I. c. 17,—which, after authorising this rate, drolly adds the proviso, "that no words in this law contained shall be construed or expounded to allow the practice of usury in point of religion or conscience!" The rate of interest continued to be eight per cent. till 1651, when it was further reduced by the parliament to six per cent., at which point it remained fixed for the rest of the present period. Some years before this time a regular trade in the lending of money had sprung up, of which Anderson gives the following account from a rare and curious pamphlet, entitled "The Mystery of the New-fashioned Goldsmiths or Bankers discovered," printed in 1676. For some time the usual place in which the London merchants kept their cash had been the Royal

* Anderson, ii. 418.

Mint in the Tower. But the despotic act of Charles I. in seizing, a few months before the meeting of the Long Parliament, a sum of 200,000*l.* which was lodged here, under the name of a loan, having destroyed the security of that place of deposit, it then became customary, we are told, though the statement seems a strange one, for merchants and traders to intrust their cash to the keeping of their clerks and apprentices, until the breaking out of the civil war, when the said clerks and apprentices fell into the habit of running away from their masters and going to the army : so that, at last, about the year 1645, commercial men first began to place their cash in the hands of goldsmiths ; until which time, it is stated, the business of the goldsmiths of London consisted merely in buying and salting plate and foreign coins of gold and silver, in melting and culling these articles, in coining some at the Mint, and in supplying with the rest the refiners, plate-makers, and merchants, according to the variations of the price. " This new banking business," the account proceeds, " soon grew very considerable. It happened in those times of civil commotion, that the parliament, out of the plate, and from the old coin brought into the Mint, coined seven millions into half-crowns ; and, there being no mills then in use at the Mint, this new money was of very unequal weight, sometimes two-pence and three-pence difference in an ounce ; and most of it was, it seems, heavier than it ought to have been in proportion to the value in foreign parts. Of this the goldsmiths made, naturally, the advantages usual in such cases, by picking out or culling the heaviest, and melting them down, and exporting them. It happened, also, that our gold coins were too weighty, and of these also they took the like advantage. Moreover, such merchants' servants as still kept their masters' running cash, had fallen into a way of clandestinely lending the same to the goldsmiths, at four-pence per cent. per diem (about six per cent. per annum) ; who, by these and such like means, were enabled to lend out great quantities of cash to necessitous merchants and others, weekly or monthly, at high interest ; and also began to discount the

merchants' bills at the like, or an higher rate of interest. Much about the same time they began to receive the rents of gentlemen's estates remitted to town, and to allow them and others who put cash into their hands some interest for it, if it remained but for a single month in their hands, or even a lesser time. This was a great allurement for people to put their money into their hands, which would bear interest till the day they wanted it. And they could also draw it out by one hundred pounds, or fifty pounds, &c., at a time, as they wanted it, with infinitely less trouble than if they had lent it out on either real or personal security. The consequence was, that it quickly brought a great quantity of cash into their hands; so that the chief or greatest of them were now enabled to supply Cromwell with money in advance on the revenues, as his occasions required, upon great advantages to themselves." Here we have all the principal operations of our modern banks, including even some portion of the accommodation given by the Bank of England to the government in our day, described as already in use in the middle of the seventeenth century. No banking establishment, properly so called, however, like those already existing at Amsterdam and in several of the Italian States, was begun in England during the present period, although various projects of the kind were submitted both to the public and the parliament.

In 1652 the postage of letters in England was farmed or let by the state to John Manley, Esq., for 10,000*l.* a-year; and four years after the whole establishment of the Post Office was subjected to a revision and placed upon a more stable foundation than heretofore. In 1653 the number of hackney coaches licensed to ply in the streets of London was raised to two hundred, and in 1654 to three hundred, the government and regulation of them being placed in the court of aldermen. The old dread of the over-increase of the capital, however, still continued to haunt the legislature of the commonwealth as much as it had formerly done the court. An edict published in 1656 declares that "the great and excessive number of houses, edifices, outhouses, and cottages erected,

and new-built in and about the city of London is found to be very mischievous and inconvenient, and a great annoyance and nuisance to the commonwealth." Whereupon a fine of one year's rent is imposed on all houses erected on new foundations within ten miles of the walls of London since 1620, not having four acres of freehold land attached to them; and a fine of 100*l.* on all such as should be erected in future. But from the operation of the act were excepted the buildings belonging to the several city hospitals; the Earl of Clare's new market (now Clare Market), which is described as just then built; the streets about Lincoln's Inn Fields, then in course of being erected; Bangor Court in Shoe Lane, then about to be built upon the site of the Bishop of Bangor's house and garden; and some other recent erections below London Bridge and on the other side of the river. These were no doubt all the chief additions that had been made to the metropolis within the last few years.

Throughout the whole of the present period both the fineness and the weight of the silver coinage continued the same as they had been fixed in the year 1601; that is to say, the pound of Mint silver contained eighteen ounces of alloy, and was coined into sixty-two shillings.

Immediately after his accession, James I. directed two coinages of gold; one of pieces of ten shillings, five shillings, and two and sixpence in value,—that is, of angels, half angels, and quarter angels—from gold of 23 carats $3\frac{1}{2}$ grains fine; the other of pieces of twenty shillings and the same inferior current values, that is, of sovereigns, half sovereigns, crowns, and half crowns, from gold of only 22 carats fine. This throwing into circulation of two gold coinages of different standards must, one would think, have been attended with some inconveniences. At the same time he ordered a silver coinage of crowns, half crowns, shillings, sixpences, two-pences, pence, and half-pence. All the pieces of these first coinages are distinguished from those afterwards issued by bearing the words ANG. Sco. (for England and Scotland), instead of those denoting King of Great Britain, which was the title James assumed the following year, and which he directed, by

proclamation, to be thenceforth used upon all the coins. In the next coinage, the pound of gold, which had heretofore passed only for 33*l.* 10*s.*, was ordered to be raised in value to 37*l.* 4*s.* 6*d.*, the proclamation to that effect setting forth that the English gold coin had of late been exported in great quantities in consequence of its not bearing a due proportion to the silver, as in other nations. The gold coins were now directed to be, one of the value of twenty shillings, to be called the unity; one of ten shillings, to be called the double crown; one of five shillings, to be called the British crown; one of four shillings, to be called the thistle crown; and one of two shillings and sixpence, to be called the half-crown. The next year the value of the pound of gold was raised to 40*l.* 10*s.*; and at that rate a gold coinage was ordered of rose-nials at thirty shillings each; spur-nials at fifteen shillings; and angels at ten shillings. In 1611, in consequence of the increasing value of gold in relation to silver in the general European market of the precious metals, it was found necessary to raise, by proclamation, the value of the unity to twenty-two shillings, and that of all the other gold pieces then current in the same proportion. The next year the pound of gold coined into rose-nials, spur-nials, and angels was raised to the value of 44*l.* in tale; and that coined into unities, &c., to 49*l.* 4*s.* 4*d.* In 1619 a new gold coinage was issued, consisting of pieces of twenty shillings, ten shillings, and five shillings, which, in consequence of being impressed with the king's head surrounded by a laurel, came to be commonly known by the name of laurels. Both the twenty-shilling laurel and the unity were also popularly called broad-pieces. In this reign likewise appeared the first English copper coinage, consisting of farthings, which were issued in 1618, the private tokens of lead and brass, which shopkeepers and other dealers had long been in the habit of fabricating and using in their payments, being at the same time abolished. It was calculated that there were about three thousand retailers of victuals and small wares in and about London that thus used their own tokens;

and the practice was general in all the considerable towns throughout the kingdom.

In the second year of the reign of Charles I., a pound of gold of 23 carats $3\frac{1}{2}$ grains fine was directed to be accounted of the value of 44*l.* 10*s.*; and a pound of 22 carats fine of the value of 41*l.* "In the former reign," observes Leake, "the great quantity of silver brought into Europe upon the opening of the mines of Peru and Mexico had raised the price of gold, and caused it to be exported, so that for two years hardly any usual payments were made in gold; but, the gold, by reason of this advanced price, being brought back, there followed as great a scarcity of silver."^{*} It had been the practice, too, of the goldsmiths for some years, he adds, to cull out the weightiest and best silver money, for which they would give a premium of two and sometimes three shillings on the hundred pounds, and to melt and export it. Above ten millions of pounds sterling in silver were coined from 1630 to 1643; "nevertheless, in 1632," Rushworth tells us, "there was such plenty of gold in the kingdom, and such scarcity of silver, that the drovers and farmers, who brought their cattle, sheep, and swine to be sold in Smithfield, would ordinarily make their bargain to be paid in silver and not in gold. And, besides, in this time people did ordinarily give two-pence, and sometimes more, to get twenty shillings in silver for the exchange of a twenty-shilling piece of gold, full weight. And in and about London and Westminster, as well as in other parts, most people carried gold scales in their pockets to weigh gold on all occasions."[†] The coins struck by Charles in the early part of his reign were of the same denominations as those issued by his father. Among his schemes for raising money at this time were various projects which were set on foot for coining silver extracted from the lead-mines in different parts of England. Of these, however, the only one that turned out in any considerable degree productive was that for coining the silver yielded by the Welsh mines, for which

* Historical Account of English Money, p. 300.

† Collections, ii. 150.

purpose a mint was established, in 1637, at the castle of Aberystwith, in Cardiganshire. These mines ultimately yielded about a hundred pounds of silver a-week ; and the mint at Aberystwith proved of considerable service to the king during his war with the parliament. Of several other mines, the ore of which was tried by workmen brought out of Germany, those of Slaithborne in Lancashire are said to have yielded four per cent. of silver ; those of Barnstaple in Devonshire and Court-Martin in Cornwall, ten per cent. ; and those at Miggleswicke and Wardel, in the county of Durham, six or eight per cent. In this reign, also, was introduced, by Nicholas Briot, a native of France, the process of fabricating coins by machinery, instead of by the hammer, the only method hitherto employed. Briot, driven from France, where he had been graver general of the coin, by the intrigues of persons whose interests were opposed to his ingenious improvements, appears to have come over to England about the year 1628, and in 1633 was constituted chief engraver of coins for the mint in the Tower of London. He remained in this country till he was recalled to France by the Chancellor Seguier, about the year 1640. While he presided over the cutting of the dies for the English coinage, it was considered to be the most beautiful then known. Among other pieces of his striking is one in gold, of the weight of 8 pennyweights $18\frac{1}{2}$ grains, "with the king's head," says Leake, "admirably well done, bare-headed, and the lovelock, as it was called, hanging before, which, it seems, was so disagreeable to the Roundheads (so called from the contrary extreme) that Prynne wrote a book against it, called 'The Unloveliness of Lovelocks.'" This, being dated in 1630, must have been among the earliest of Briot's productions. After the war had begun and the parliament had seized the Tower, Charles set up mints at Shrewsbury, Oxford, York, and other places, most of the money coined at which has the mint mark of the Prince of Wales's feathers, as having been struck by the workmen and instruments belonging to the establishment at Aberystwith. The greater part of it appears also to have been made, in the

old-fashioned way, by the hammer, the use of the mill having been probably laid aside on Briot's departure. "The unhappy situation of the king's affairs," says Leake, "may be traced by his money, which grew worse and worse in the stamp, till at last they hardly deserve the name of a coin, seeming rather the work of a smith (as perhaps they were) than a graver, and manifest they were coined in the greatest hurry and confusion." Besides money of the common species, various other coins or tokens, which have received the name of obsidional or siege pieces, were issued on different occasions by the royalists in the course of the war. Among these were the pieces stamped at Newark in 1643 and 1646, which are in the form of a lozenge ; those stamped at the siege of Carlisle in 1645, which are octangular ; the Pontefract pieces, some of which are round, some octangular, some lozenge-shaped ; and another sort of money, consisting merely of bits of silver-plate about an inch and a half long, with a rude representation of a castle, supposed to be that of Scarborough, stamped upon it.

In the beginning of their quarrel with the king the parliament coined both gold and silver money bearing the usual impressions, and only distinguished from that issued by the king by its having the letter P. (for Parliament) stamped upon it as a mint mark. They afterwards coined gold pieces of twenty shillings, ten shillings, and five shillings, and silver crowns, half-crowns, shillings, and sixpences, having on the obverse an antique shield with St. George's cross, encircled with a palm and a laurel branch, and circumscribed THE COMMONWEALTH OF ENGLAND ; on the reverse, two antique shields conjoined, the first with St. George's cross as before, the other with a harp, and circumscribed GOD WITH US. Their silver two-pences, pennies, and half-pennies, have only the arms without any legend or inscription. Such coins, with a sun for the mint-mark, are found of the dates 1649, 1650, 1651, 1652, and 1653 ; and it is supposed that they were occasionally struck even down to the Restoration : Leake says he had seen both a twenty and a ten shilling piece of 1660. This was all han-

mered money ; but there are likewise half-crowns, shillings, and sixpences of 1651, bearing the same stamp, and grained upon the outer edge ; which is the earliest English completely milled silver coinage, the milled money of Elizabeth and Charles I. being only marked upon the flat edge. One milled half-crown of the same date has inscribed upon the rim the words, IN THE THIRD YEAR OF FREEDOM BY GOD'S BLESSING RESTORED ; another has TRUTH AND PEACE. 1651. PETRUS BLONDAEUS INVENTOR FECIT. These appear to be rival productions ; the former by the regular moneyers of the Tower ; the latter by a French artist, Peter Blondeau, who came over and offered his services to the committee of the council of state for the Mint in 1649, but never was employed farther than to give this specimen of his skill, although he appears to have remained in the country about three years, and was probably not well used by the government. Some copper farthings, of various impressions, were likewise coined by the parliament.

The earliest money bearing the effigies of Oliver Cromwell has the date of 1656, though it was not till the following year that he formally took upon him the royal authority in conformity with the "Petition and Advice." His coins are twenty shillings and fifty shillings pieces of gold ; and crowns, half-crowns, shillings, and sixpences of silver. "They are," says Leake, "an excellent die, done by the masterly hand of Symonds (or Simon), exceeding anything of that kind that had been done since the Romans ; and in like manner he appears thereon, his bust Caesar-like, laureate, looking to the right, with whiskers, and a small tuft upon the under lip." The circumscription around the head of the Protector is OLIVAR. D. G. R. P. ANG. Sco. HIB. &c. PRO. On the reverse, under a royal crown, is a shield, bearing in the first and fourth quarters St. George's cross, in the second St. Andrew's cross, and in the third a harp ; with the Protector's paternal arms, namely, a lion rampant, on an escutcheon in the centre ; and the circumscription *PAX QUAERITUR BELLO*, with the date 1656, or 1658.

There is also a copper farthing of Cromwell's, with a somewhat different device on the reverse.

To this period likewise belong a few of the Pontefract coins, or tokens, which were issued after the king's death, in the name of Charles II.

For Scotland, James I. coined sovereigns of gold, crowns, half-crowns, shillings, and sixpences of silver, and also farthings of copper. All these Scottish coins, however, bore names indicating a value twelve times greater than that of the corresponding English coin : thus the Scottish half-crown was called a thirty-shilling piece, the farthing a threepenny piece, &c. He also coined both silver and copper money for Ireland, of the intrinsic value of about three-quarters of the English ; and called in the mixed or base money which had been issued in the time of the rebellion by Elizabeth. Among the Scotch coins of Charles I. is a sovereign or unity of gold, which is very neatly finished; and is supposed to be the production of Nicholas Briot, the mint-mark being a small B. Charles's other Scottish money consists of double crowns, crowns, and half-crowns of gold ; half-crowns, shillings, sixpences, nobles or half-marks, forty-penny pieces or quarter marks, two-shilling pieces, and twenty-penny pieces of silver ; and farthings, and both-wells, or bodles, of the value of the sixth part of a penny English, of copper. His only Irish coins are some of silver, issued after 1641, by appointment of the lord lieutenant, the Duke of Ormond, and hence known as Ormond money. There are also some Irish halfpence and farthings of copper, of this time, bearing the figure of a king kneeling and playing on a harp, which are supposed to have been struck by the papists during their insurrection in 1642. The coins of Scotland and Ireland in the time of the Commonwealth were the same with those of England.

CHAPTER VIII.

FROM THE RESTORATION TO THE REVOLUTION.

—A.D. 1660—1688.

In the interval between the Restoration and the Revolution the increase of our trade appears to have been both more considerable upon the whole, and more steady in its progress, than in any former period of the same length; and the same thing may probably be affirmed of the national industry in all its great branches. The hurricane of the civil war, disastrous as it may have been in its immediate operation, had yet put a new life into the air, the inspiration of which, on the return of a settled condition of things, was felt by our commerce and manufactures, as well as by all other parts of our social system; the very gap that remained to be filled up, in consequence of the partial suspension of mercantile and other industrial activity during the war, quickened that activity when the war was over; the government of the protectorate exerted itself to promote the trading interests of the country; and the impulse thus given continued to carry forward the spirit of enterprise after the Restoration, in a state of greater public security, and in circumstances otherwise much more favourable, than had existed previous to that event.

The best evidence of the regular growth and general prosperity of English commerce throughout the present period is afforded by the returns of the Custom-house duties, an account of which we have for its whole extent.* From this account it appears that the produce of

* First published in Chalmers's Estimate of the Comparative Strength of Great Britain, p. 49 (edit. of 1804). Mr. Chalmers observes, that "there was an additional duty on wines imposed in 1672, and an impost on wine, tobacco, and linen, in 1685; but, as these duties were kept separate, they appear neither to have swelled nor diminished the usual receipt of the Custom-house duties in any of the years, either of peace or of war." We understand the sums given in the account, therefore, to be the produce of the rates which used to be called the *Old Subsidy*.

this branch of the public revenue from the 24th of July, 1660, to the 29th of September, 1661, was only 421,582*l.*, or, for the twelve months, only about 361,356*l.*; that the annual average of the next four years, ending with Michaelmas Day, 1665, was about 509,774*l.*; of the next five, ending with 1670, about 475,018*l.* (here we may perceive the effect of the great plague and the fire of London, the returns being, for 1666 only 303,766*l.*, for 1667 only 408,324*l.*, but rising in 1668 to 626,998*l.*); of the next five years ending with 1675, 581,429*l.*; of the next five, ending with 1680, 640,231*l.*; of the next five, ending with 1685, 722,933*l.*; and of the three remaining years, ending with Michaelmas, 1688, and all comprehended within the reign of James, about 815,874*l.*, or fully double the receipts for the first year or two after the Restoration. The amount for the year ending 29th September, 1662, was 414,946*l.*; that for the year ending Michaelmas, 1687, was 884,955*l.* For the next year, the last of the present period, it was 781,987*l.*

The few notices that have been preserved of our general exports and imports during this period go to confirm the evidence of the progressive extension of the commerce of the country afforded by the foregoing account. We have seen that the entire value of the exports and imports in 1613 was 4,628,586*l.*, and in 1622, 4,939,751*l.* It is stated that in the year ending Michaelmas, 1663, the imports amounted to 4,016,019*l.*, the exports to 2,022,812*l.*; and that in the year ending Michaelmas 1669, the imports were 4,196,139*l.*, the exports 2,063,274*l.* The value of the exports and imports together, therefore, for the first of these years was 6,038,831*l.*, and for the second 6,259,413*l.* The figures indicate a steady progress of mercantile activity and of national wealth, whether we take the sums of the exports and imports at the four successive dates, as has just been done, or confine our view to the imports alone, as best marking the national power of expenditure or purchase. They were 2,141,283*l.* in 1614; 2,619,315*l.* in 1622; 4,016,019*l.* in 1663; and 4,196,139*l.* in 1669.*

* The authority for the statement of exports and imports

The terms in which the great Dutch minister De Witt speaks of the hostility or rivalry to be apprehended.

in 1663 and 1669 is the First Part of a Report made to the Commissioners of Public Accounts in 1711, by Dr. Charles Davenant, who then held the office of inspector-general of customs. (See Lord Whitworth's edition of Davenant's works, Lon. 1771, vol. v. p. 376; where, however, there is a misprint, third line from the bottom, of "exports" for "imports," and of "imports" for "exports.") Davenant says that he takes the statement from "a manuscript remaining in the Custom House, which appears to be an authentic copy of what had been offered to the House of Commons," but in what year he cannot find. (p. 351.) From the manner in which he expresses himself, however, he has left it somewhat doubtful whether the sums he has put down are the value of the total exports and imports of the kingdom, or only of those of the port of London, which he seems to intimate bore the proportion of between three and four to one to those of the rest of the country. (p. 352.) The statement has been generally assumed to be that of the total exports and imports. It is repeatedly quoted or referred to in the work entitled "The British Merchant," a series of papers first published in 1713, with the object, in which it succeeded, of defeating the proposed treaty of commerce with France which was to have followed the peace of Utrecht, and afterwards collected in three vols. 8vo., in 1743. The principal author of "The British Merchant" was Henry Martin, Esq., who succeeded Davenant as inspector-general of the customs; but Anderson (Chron. Deduct. of Com. ii. 496), and after him Maepherson (Annals of Com. ii. 534), are mistaken in supposing the account for the year 1668-9 to rest upon his authority; for it is given by Davenant along with that for 1662-3. The authors of "The British Merchant," who are sturdy upholders of what has been called the Mercantile Theory, maintain that the balance against us indicated by these two statements, or the "great national loss," as they term it, was occasioned by our having them a full trade with France; "which full trade," say they, "being afterwards prohibited, the general balance in the year 1699 was got to be so far in our favour as 1,147,660l. 10s. 9d. [that is to say, such was now the excess of exports over imports]: total gained by us from having no trade with France in the

from England, in his work entitled “The Interest of Holland,” published in 1669, show the estimation of the commercial greatness of this country which was now prevalent on the continent; and the passage is also worth quoting from the sketch it gives of the rise and progress of our manufactures and trade. “When the compulsive laws of the Netherland Halls,” he observes, “had first driven the cloth-weaving from the cities into our villages, and thence into England, and that, by the cruelty of the Duke d’Alva, the say-weaving went also after it, the English by degrees began to vend their manufactures throughout Europe: they became potent at sea, and no longer to depend on the Netherlands. Also, by that discovery of the inexpressibly rich cod-bank of Newfoundland, those of Bristol in particular made use of that advantage. Moreover, the long persecution of Puritans in England has occasioned the planting of many English colonies in America, by which they drive a very considerable foreign trade thither. So that this mighty island, united with Ireland under one king, seated in the midst of Europe, having a clear deep coast, with good

year 1699, 3,280,525*l.* 8*s.* 9*d.*: which balance in the year 1703 was so considerably increased as to be no less than 2,117,523*l.* 3*s.* 10*½d.*; total gained by us from having no trade with France in the year 1703, 4,250,388*l.* 1*s.* 10*½d.* A most interesting consideration.” All this declamation, in which the figures of arithmetic are made to play as wild a part as ever did those of rhetoric, is gravely repeated and adopted by Anderson (ii. 496). The statement for the year 1662-3 he had previously characterized, in the same spirit, as “a most melancholy account, truly,” “more especially,” he adds, “as coming from this able author, who possessed that important office [of inspector of the customs] in the reigns of King William and Queen Anne.” (p. 478.) But, if he had gone to Davenant’s own Report, he would have found wherewithal to console himself. “Here you may please to observe,” remarks that writer, after having transcribed the two accounts, “what an appearance there is of an excess against us all the world over those two years, in which no man in his right senses will deny but that we carried on a thriving traffic.” (p. 377.)

havens and bays, in so narrow a sea that all foreign ships that sail either to the eastward or westward are necessitated, even in fair weather, to shun the dangerous French coast, and sail along that of England, and in stormy weather to run in and preserve their lives, ships, and merchandize in its bays—so that England now, by its conjunction with Scotland, being much increased in strength, as well by manufactures as by a great navigation, will in all respects be formidable to all Europe. For, according to the proverb, a master at sea is a master at land; and more especially a king of England, seeing he is able, both by whole fleets and private ships of war, at all times to seize on ships sailing by the coast—the westerly winds, which blow for most part of the year on this side of the tropic, giving the English great opportunities to sail out of their numerous bays and harbours at pleasure to infest our navigation."

Many particulars with regard to the state of the different branches of our foreign commerce about this time are to be collected from Sir Josiah Child's New Discourses on Trade, written in 1665 (at his country-house, "in the sickness-year," as he informs us), and first published in 1668. A second and greatly enlarged edition appeared in 1690. Child was an eminent London merchant, and his views on many subjects were in advance of his age: but there is certainly no soundness in the leading doctrine of the present work, which is, that the principal cause of national wealth is a low rate of interest established by law, the fact being, that the national rate of interest, being merely another name for the price of credit, is always dependent upon the state of the market of credit, that is to say, upon the supply of disposable capital and the demand for it by borrowers; and that all that the establishment of a legal rate of interest can do is in some degree to impede and disturb the course of the influences which regulate the natural rate, and which, if they were left to themselves, would determine the actual rate. In other words, a low rate of interest, instead of being, as Child imagined, a cause of national wealth, by which he meant the accumulation

of capital, might more truly be said to be a consequence of such accumulation ; for if the rate of profit, and consequently the demands of borrowers, should continue the same, the rate of interest would be brought down by the mere growth of disposable capital. But, notwithstanding this fundamental mistake of the book on a theoretical point, it may, from the position and opportunities of the author, be safely taken as a trustworthy authority in regard to most of the statements as to matters of fact contained in it. The branches of English commerce which Child speaks of as having been most extended in his time are the trade with Spain and Portugal and with the East Indies. In his preface he asserts that, since the year 1640, our exports of native commodities to the Peninsula had been more than trebled. He was himself a director of the East India Company, and he strenuously insists upon the great national profits and advantages of the trade with that region in opposition to the outcry raised against it, principally on the ground of its carrying a large balance of specie out of the country,—the simple test by which the common prejudice of the time at once decided whether any trade was profitable or the reverse. Child, without having very clear notions on the subject, is much inclined to qualify the vulgar doctrine on the balance of trade generally ; but in this particular case his chief argument is, that, although the imports of the company were in great part paid for in money, the same money, or rather a larger sum, would otherwise have had to be paid to the Dutch for the same commodities. We should have had to buy from them the saltpetre necessary for the making of gunpowder, as well as our pepper and calicoes, for which they would have made us pay as dear as they did for nutmegs, cinnamon, cloves, and mace, of which they then had the monopoly ; or, if we did not use calicoes, we should have been obliged to resort to foreign linens. The Company, he states, then employed from thirty-five to forty sail of the most warlike mercantile ships of the kingdom, with from sixty to a hundred men in each ; and, besides supplying the country with saltpetre, pepper, indigo, calicoes, and

several useful drugs, to the value of between 150,000*l.* and 180,000*l.* yearly, for home consumption, procured us calicoes, printed stuffs, and other merchandise for our trades to Turkey, France, Spain, Italy, and Guinea; most of which trades, according to this author, could not then be carried on with any considerable advantage but for those supplies; “and those goods exported,” he adds, “do produce in foreign parts, to be returned to England, six times the treasure in specie which the Company exports from England to India.” In other branches of trade he represents the Dutch as going far a-head of us. A great trade was carried on by them to China and Japan, in which the English had no share. In the Russia trade, he says, the Dutch, the year before he wrote, had twenty-two great ships employed, and the English but one. In the Greenland whale-fishery the Dutch and Hamburghers had annually four or five hundred sail employed, while the English had only one ship the preceding year, and the year before that not one. The white herring fishery upon our own coasts was almost wholly in the hands of the Dutch; and so was the export of salt from Portugal and France. To the Baltic, or Eastland countries, the English had not now half so much trade as formerly; while the Dutch had ten times more than they used to have. The Norway trade, again, was in great part in the hands of the Danes, Holsteiners, &c.; our exportations to France had greatly fallen off; and the English ships employed in the Newfoundland fishery had decreased from two hundred and fifty, which was their number in 1605, to eighty when Child wrote. In many of these instances, however, the country had probably only disengaged itself from an old trade, that it might enter into and carry on some other, which it found more to its advantage. Child admits that the general commerce of the country was never before either so extensive or so profitable. The Turkey, Italian, Spanish, and Portuguese trades, by means partly of our Indian commodities, partly of our native wool, were *more active* and prosperous than at any former period. The trade with our American plantations was a new branch of

commerce, of great and rapidly growing importance, which was wholly in our own hands. Accordingly, in proof of the general fact of the vast increase of the wealth of the country within the preceding twenty years, Child adduces the following particulars:—"First," he says, "we give generally now one-third more money with apprentices than we did twenty years before. Secondly, notwithstanding the decay of some, and the loss of other trades, yet, in the gross, we ship off now one-third more of our manufactures, and of our tin and lead, than we did twenty years ago. Thirdly, new-built houses in London yield twice the rent which they did before the conflagration in the year 1666; and houses immediately before that fire generally yielded one-fourth more rent than they did twenty years ago. Fourthly, the speedy and costly rebuilding, after that great fire, in London, is a convincing, and to a stranger an amazing, argument of the plenty and late increase of money in England. Fifthly, we have now more than double the number of merchants and shipping that we had twenty years ago. Sixthly, the course of our trade, from the increase of our money, is strangely altered within these twenty years; most payments from merchants and shop-keepers being now made with ready money, whereas formerly the course of our general trade ran at three, six, nine, and eighteen months' time." He admits that people complained, notwithstanding, very greatly of the scarcity of money; but "this humour of complaining," he replies with much truth, "proceeds from the frailty of our natures; it being natural for men to complain of the present, and to commend the times past." "And I can say, with truth," he adds, "upon my own memory, that men did complain as much of the scarcity of money ever since I knew the world as they do now:—nay, the very same persons who now complain of this and commend that time." Plenty or scarcity of money, indeed, has no necessary connexion with a prosperous condition of commerce, or the reverse, any more than plenty or scarcity of leather or of hats. In so far as the fact is general, it is merely a consequence of the existing condition of the

market of money, which is affected by the same causes that produce fluctuations in all other markets, and also by some peculiar to itself, arising out of the financial institutions and arrangements of different countries. With regard, again, to the scarcity of money felt by individuals, that is a complaint likely, for obvious reasons, to be just as rife in a time of active and profitable commercial speculation, when every man able to procure the command of capital can turn it to good account, as in a stagnant or decaying state of trade, when capital can be employed with comparatively little advantage.

Some further information in proof of the continued increase of the trade and wealth of the kingdom is supplied to us at a date a few years later by another eminent authority, Sir William Petty, in his "Political Arithmetic," first published in 1676. This writer's statements and conclusions with regard to the progress of the national prosperity for the preceding forty years strikingly coincide with and confirm those of Sir Josiah Child. He observes that in these forty years the taxes and other public pecuniary levies in the three kingdoms had been much greater than they ever were before, and yet they had undeniably all three gradually increased in wealth and strength within that space. The number of houses in London was double what it was forty years before; and there had also been a great increase of houses at Newcastle, Yarmouth, Norwich, Exeter, Portsmouth, and Cowes; as also in Ireland, in the towns of Dublin, Kinsale, Coleraine, and Londonderry. Then, with respect to shipping, the royal navy was now double or quadruple what it had been forty years ago; and the coal-shipping of Newcastle now amounted to about 80,000 tons, or probably four times what it then *was*, seeing that London did not then contain more than half the inhabitants it now did; while the use of coals was also doubled,—"they being heretofore," says Sir William, "seldom used in chambers, as they now are, nor were there so many bricks burnt with them as of late, nor did the country on both sides the Thames make use of them as now." "Above 40,000 ton of shipping," he con-

tinues, “are now employed in the Guinea and American trade, which trade in those days was inconsiderable. The quantity of wines imported was not then near so great as now. And, in short, the customs did not then yield one-third of the present value. The number and splendour of coaches, equipages, and household furniture have much increased since that period. *The postage of letters is increased from one to twenty.* And his majesty’s revenue is now trebled.” The exact amount specified in some of these necessarily in part conjectural estimates may not be entitled to absolute confidence; but there can be no question that the general bearing of the facts is correctly given.

But the most comprehensive view of the progress of the commerce and wealth of England during the present period is that given by Dr. Davenant in one of his Discourses on Trade.* Davenant, we may premise, has not the clearest notions on some of the fundamental points of political economy; but he has sense to perceive the absurdity of the principles advanced by some writers of his time, whose assertions, indeed, might well have startled the dullest understanding. Mr. Pollexfen, to a publication by whom Davenant particularly addresses himself, had actually maintained gold and silver to be “the only things that deserve the name of treasure, or the riches of a nation;” and to this Davenant answers, very well, “that, in truth, money is at bottom no more than the counters with which men, in their dealings, have been accustomed to reckon;” adding, “When a country begins to thrive by trade, it must not be imagined that the increase and profit is presently converted into coin or bullion; and a great ready cash is not the only sign of a thriving people, but their growing wealthy is to be discerned by other symptoms.” Just before, however,

* Discourse First, “That Foreign Trade is beneficial to England,” in the Second Part of “Discourses on the Public Revenues and on Trade,” first published in 1698, in answer to Mr. Pollexfen’s “England and East India inconsistent in their Manufactures;” in Lord Whitworth’s edition of Davenant, vol. i. pp. 346-393.

his partial entanglement in the prejudices of his age had led him to admit that the precious metals, though not the spring and original, are yet the measure, of trade in all nations ; which, except in a very qualified sense indeed, and in reference to mere convenience of calculation, they really no more are than any other species of merchandise. Pollexfen also contended that there had been a regular annual decrease of the wealth and trade of the country ever since the year 1666 ; a position taken up about this time by various popular writers, among others by the author of a famous discourse entitled " Britannia Languens," published in 1680, who, by not only confining his view to one side of the question, but by looking at that through the medium of a false theory, contrived to make out to his own satisfaction, and doubtless also to that of many of his readers, that the country had been advancing towards ruin at a rapid pace for many years. The main argument of this writer is, simply, that there had been less money coined from 1657 to 1675 than in any former period of the same length from the beginning of the century,—a fact which, if it could have been ever so conclusively established, had no more to do with the subject of debate than a similar calculation of the comparative quantities of rags that had fallen in the several periods fixed upon would have had. This test, as applied by the author of *Britannia Languens*, would have proved a rapid decline of national prosperity indeed ; for, whereas, according to his showing, the value of gold and silver coined from 1600 to 1619 had been nearly 4,800,000*l.*; and from 1619 to 1638, 6,900,000*l.*; and from 1638 to 1657 above 7,700,000*l.*; the amount from 1657 to 1675 had only been about 2,239,000*l.*; and even of that he observes, about a million had been partly harp and cross money, partly old money recoined. So that, by this measure, the trade of these last eighteen years must have fallen to a fourth or a fifth of what it had been before ! This was a " languishing" state of things truly. Davenant first shows, by the increase in the value of landed property, from twelve years' purchase in ancient times, to fourteen,

teen, and in the best counties eighteen and twenty years' purchase about 1666, and by the great increase in the produce of the taxes in the reigns of James I. and Charles I. and in the time of the Commonwealth, that the country must have been growing rich from the beginning of the century up to that year. So much, perhaps, would not be disputed by his opponents. But he contends, on the same or similar grounds, that the same progress continued to go on, and in an augmented ratio, after 1666. Since that year, he affirms, the price of land in the best counties had risen from twenty to twenty-six and twenty-seven years' purchase; and elsewhere from fourteen years' purchase to seventeen or eighteen. "From that year," he adds, "there were apparently more improvements made in land than had been known in fifty years before, by enclosing, manuring, taking in of waste ground, and meliorating what was poor or barren; and yet great improvements had been made in the crown-lands during the civil war." He calculates, from the best observations he has been able to make, "by comparing the ancient subsidies with the present aids and taxes on land," that the general rental of England for land, houses, mines, &c. before the country became considerable by trade,—that is to say, about the year 1600,—did not exceed six millions per annum; whereas, in 1688, he takes the rental of the kingdom to have been about fourteen millions. So that, in 1600, the whole land of England at twelve years' purchase was only worth 72,000,000*l.*; and in 1688, at eighteen years' purchase, was worth 252,000,000*l.*, or three and a-half times as much as before. As for the mercantile shipping of the kingdom, old and experienced merchants all agreed that its tonnage in 1688 was nearly double what it had been in 1666; and it appeared by authentic accounts that the royal navy, which in May, 1666, amounted only to 62,594 tons, was grown to 101,032 tons in December, 1688. We pass over a long calculation and argument about the amount of gold and silver coined at different periods, as tending very little to elucidate the matter in hand. The statement then proceeds:—"As to plate, it may be safely

affirmed that there was more wrought for use in families from 1666 to 1688 than had been fabricated in two-hundred years before. . . . As to the common people, there is no country in the world where the inferior rank of men are better clothed and fed, and more at their ease, than in this kingdom, nor, consequently, where they propagate faster. As to buildings, during that time not only many stately edifices, both public and private, have been erected, but farm-houses have been kept up; and, besides, from the books of hearth-money, and for other reasons, it appears that of smaller tenements, from 1666 to 1688, there have been about 70,000 new foundations laid, of which the country has not wanted its proper proportion." In 1666 the customs, according to Davenant, were farmed for no more than 390,000*l.*; but from Michaelmas, 1671, to Michaelmas, 1688, they had yielded to the crown an average annual return of 555,750*l.* This statement, it will be observed, does not agree with the account given in a preceding page on the authority of Chishaw; but the fact of the increase in the produce of the customs is equally attested by both. "Upon a general view and inspection into the kingdom's state," Davenant calculates that the value of the whole stock of England, by which he explains himself as meaning "the coined silver, coined-gold, bullion, wrought plate, rings, &c.; jewels, furniture, apparel, &c.; stock for trade, consumption, &c.; and the live-stock in cattle, &c.,"—that is, apparently, everything in the kingdom beside what the lawyers call real property,—was in 1600 about 17,000,000*l.*; that in thirty years it nearly doubled, and in 1630 was about 28,000,000*l.*; that in the next thirty years it fully doubled, and in 1660 was about 56,000,000*l.*; and that from 1660 to 1688 it above half doubled, and was in the last-mentioned year about 88,000,000*l.* Of this calculation he maintains that "every article may be made out and justified by as plain demonstration as anything of this nature is capable of." The stock of the kingdom, he thinks, would have fully doubled itself in the last period as well as in those of the same length that preceded, had it not been that "a stop was put to our career by the great plague of 1665; by the fine

of London, which consumed a great part of the present stock ; by our wars abroad ; and by our growing luxuries, which drew to other uses what formerly was left wholly to run in the channel of trade." "However," he adds, "when the kingdom had recovered these losses and shocks, which we have reason to think it had perfectly done about 1680 (trade augmenting all the while, and becoming more extensive), its wealth grew faster towards the latter end of this last era of thirty years than before : so that there is more than probable room to conjecture that about 1688 it came to reach the annual increase of two millions." There is much, of course, that is merely theoretical, and far enough from conclusive, in these speculations ; but they are curious at least, if not perfectly convincing, and may be admitted to have a general, though not an exact and absolute, truth.

Of the measures affecting commerce that were passed by the legislature in the present period, the most important was the statute of the 12 Car. II. c. 18, entitled an Act for the Encouraging and Encreasing of Shipping and Navigation, and popularly known by the name of the Navigation Act. This famous statute was in the main merely a re-enactment of the statute passed by the Rump Parliament in October, 1651 ; the principle of which was, as explained in the last Chapter, to confine absolutely to English ships the carriage of all goods imported into any part of the dominions of England from Asia, Africa, or America ; and to English ships, or ships of the particular country from which the goods were imported, the carriage of all goods brought into England from any other country of Europe. In the new Act, the latter and most important provision was so far modified as to be confined to goods imported from Russia and Turkey, and to certain goods only from other European countries. But this was in reality a very slight mitigation of the restriction ; for the articles in question comprised all the most important English imports, such as timber, salt, pitch, tar, hemp, raisins, figs, oils, grain, wine, spirits, &c. ; so that it was scarcely possible that a full cargo of goods could be made up for England in any country of Europe without some

of the articles which could thus only be imported in English or native bottoms.* On the other hand, the restrictions of the act of 1651, as to importation into England, were now made equally applicable to the exportation of goods from England to other European countries.† A Navigation Act similar to the English one was passed by the parliament of Scotland the following year; and the English statute was altered, and in some respects made still more rigid or more comprehensive, by subsequent acts, of which it is not necessary to give any particular account. We may merely mention that, by a clause in an act for regulating the customs, passed in 1662 (13 and 14 Car. II. c. 11, s. 23), it was enacted that no sort of wines other than Rhenish, no sort of spicery, grocery, tobacco, potashes, pitch, tar, salt, resin, deal-boards, fir, timber, or olive oil, should be imported from the Netherlands or Germany, "upon any pretence whatsoever, in any sort of ships or vessels whatsoever, upon penalty of the loss of all the said goods, as also of the ships and furniture."

* Some modern accounts of the Navigation Act state that the goods thus forbidden to be brought from any part of Europe except in English ships, or ships of the country, were those that came to be known in commerce by the name of *enumerated* articles. But this is a mistake: what were formerly called *enumerated* goods, an expression used in many subsequent acts of parliament, were certain articles, the produce of the English plantations, with regard to which it was provided by the act (sec. 18) that they should not be conveyed to any part of the world whatsoever without first being shipped to England, and brought on shore there.

† This important extension of the first Navigation Act has not usually been noticed. But it is common to speak of a provision in the act of the 12 Car. II., making it necessary that, in addition to the ship being English property, the master and at least three-fourths of the sailors should be Englishmen, as a new regulation and a very material improvement upon the old law (see Blackstone, Com. i. 419); the fact being, that the act of 1651 demands very nearly the same thing,—it requires that the majority of the crew shall be English.—See the act in Scobell, II. 176.

The navigation laws are admitted to have been framed in a spirit of violent animosity against the Dutch, and to have had for one of their principal objects the depression of the mercantile superiority of that people, then in possession of the greater part of the carrying trade of the world. The Dutch were, in fact, deprived by these acts of so much of their carrying trade as consisted in importing goods to England and in exporting to other countries English home and colonial produce and manufactures ; and the greater part of what they thus lost the English ship-owner gained. The English consumer,—in other words, the English public,—was, in a pecuniary sense at least, a gainer of nothing, but a considerable loser : the monopoly of the ship-owner was, of course, a tax upon the rest of the community. This tax, however, it has been said, was paid for the essential object of the national defence,—for the creation and maintenance of a naval strength which the country would not otherwise have possessed. The exact operation of indirect methods of procedure, such as the policy of the navigation laws is here assumed to be, will always afford matter for difference of opinion, and hardly admits of being satisfactorily determined ; but it is certain that, however much commendation these laws have received in later times, the greatest doubts were entertained as to any public benefit being attributable to them by some of the ablest observers who had an opportunity of witnessing the effects they produced when they first came to change the natural course in which the commerce of the country was previously proceeding. Roger Coke, in his "Treatise on Trade," published in 1671, maintains that, by lessening the resort of strangers to our ports, they had had a most injurious effect on our commerce : he states that, within two years after the passing of the first partial Navigation Act in 1650 (the progenitor of that of the following year), we had lost through their operation the greater part of our Baltic and Greenland trades. Sir Josiah Child, although decidedly approving of the principle of the Navigation Act, corroborates Coke in so far by admitting, in his "Treatise on Trade," published in 1698, that the English shipping

employed in the Eastland and Baltic trades had decreased two-thirds since the passing of the act, and that the foreign shipping employed in these trades had increased in a like proportion.* It is plain, indeed, that this law, by raising their freights in the home trade, of which it gave them a monopoly, must have disabled English ship-owners from competing with foreigners in every other trade of which they had not a like exclusive command.

The most remarkable outbreak in the course of this period of the old commercial jealousy which, in contradiction to the first principle of commerce, used, in its fits of fury, to be continually striving to exclude from the kingdom the productions of foreign countries, in the notion of thereby putting down their commercial rivalry, was the entire prohibition of trade with France in 1678. On this occasion, indeed, national hatred and religious excitement lent their aid to strengthen and envenom the feelings arising from rivalry in trade, for it was the time of the popular ferment about the designs of France, out of which sprung immediately afterwards the wild delusion of the popish plot; but the chief motive of the prohibition, nevertheless, was undoubtedly the prevalent notion that the country was suffering an annual pecuniary loss to a vast amount by the balance of trade, as it was called, being turned against us in consequence of our large importation of French commodities. The act of parliament (the 29 and 30 Car. II. c. 1, s. 20) declares that it had been by long experience found that the importing of French wines, brandy, linen, silk, salt, paper, and other commodities of the growth, product, or manufacture of the territories and dominions of the French king had much exhausted the treasure of this nation, lessened the value of the native commodities and manufactures thereof, and caused great detriment to the kingdom in general. It therefore proceeded to enact that, for three years from the 20th of March, 1677 (1678), and to the end of the next session of parliament, no French wine, vinegar,

* See these and other authorities collected by Mr. M'Culloch, *Dict. of Com.* p. 819.

brandy, linen, cloth, silks, salt, grapes, or other product or manufacture of the dominions of the king of France should be imported in any sort of vessel whatsoever into any part of England, and that the importation or vending of any such French goods should be adjudged "to be a common nuisance to this kingdom in general, and to all his majesty's subjects thereof." The adherents of the balance-of-trade theory at the time, and long afterwards, all looked upon this prohibition as a most wise and salutary act of national policy, and were in the habit of referring with much triumph to its effects in proof of the correctness of their views. Indeed they had long been clamouring for something of the kind before the measure was adopted by the legislature. The House of Commons which met in the latter part of the year 1675 had, upon an examination of the trade between England and France, come to a resolution that the former country was annually a loser in the said trade to the amount of a million sterling, and had thereupon ordered a bill to be brought in to put a stop to it, as was actually done two years after. The following are the terms in which Anderson, writing nearly a century after 1678, speaks of the act then passed against commerce with France : "The immense importation into England of French wares of various kinds gave just umbrage to all wise people, as occasioning a vast annual loss in point of the general balance of England's trade ; some say, to at least one million sterling, others to considerably more ; because, whilst we were wantonly and without measure importing and using the produce and manufactures of France, the wiser French ministry were from time to time laying heavier duties upon the English manufactures and produce....Hereby the English foreign trade in general languished, rents fell, and all ranks began sensibly to feel its bad effects. Yet they at first imputed this misfortune to a wrong cause, which made the merchants and traders petition the parliament against the East India and Levant Companies. In conclusion, they discovered the true cause ; whereupon they made such earnest application to the parliament as influenced the *House of Commons* to come to a vote, that the trade

with France was detrimental to the kingdom.... It was, indeed, more than time for England to interpose and save the almost expiring liberties of Europe, whilst at the same time she put some stop to an inundation of French wines, brandies, silks, linen, paper, salt, and an innumerable variety of frippery, millinery, and haberdashery wares, toys, &c.; which prohibition, and that of the wear of East India manufactures, brought the general balance greatly in our favour in the course of twenty years. The authors of this time say that, until after this prohibition, the annual exports of England, on an average, did not exceed three millions sterling; but that, in about twenty years after, the exports had gradually increased to near seven millions yearly, which vast increase was principally occasioned by the great increase and exportation of our own woollen, silk, linen, iron, and other manufactures, since the prohibition of commerce with France; and partly also to the prohibition, some years after enacted, of the wear in England of East India manufactures; and likewise in part to the enlarged demand from our own American colonies of all sorts of manufactures and necessaries."* As Charles II. never again assembled a parliament after the 20th of March, 1681, the act prohibiting the importation of French merchandize remained in force till it was repealed in the beginning of the next reign by the act 1 Jac. II. c. 5. "Whereupon," says Anderson, "ensued an inundation of French commodities, to the value of about four millions sterling, within the compass of less than three years' time, whereby all the evils formerly complained of were renewed, so that the nation would have been soon beggared, had it not been for the happy Revolution in the year 1688, when all commerce with France was effectually barred."† The proof of a nation being on the road to beggary, which is derived from its purchasing every year between one and two millions' worth of commodities from another country, is not particularly convincing. But, as usual in cases of this kind, even the facts as to this matter appear to have been grossly misstated. Davenant, in his First Report to the Commissioners of Public Accounts, sensibly ob-

* *Chron. of Com.* ii. 548.

† *Ibid.*, p. 571.

serves,—“ It has never been popular to lay down that England was not a great loser by the French trade ; but, in inquiries of this kind, truth should be more hunted after than popularity, and I shall endeavour to set this matter in as true a light as the nature of it will admit of, and which lies so obscure for want of knowing right of matter of fact. As to the importations and exportations of commodities between the respective kingdoms, so far is beyond contradiction, that all the while England flourished and grew rich by an extended traffic (which was by Queen Elizabeth’s reign down to the year 1640), the two countries did not load one another with prohibitions of, or high duties upon, each other’s product or manufactures, which that country would certainly have done that had found itself any considerable loser by their mutual dealings, which must have been seen and felt in so long a tract of time ; so that during this space it is rather to be presumed both kingdoms reciprocally found their account by the commerce that was between them. During the afore-mentioned period the strength and power of France was not become formidable, and the prodigious growth of the House of Austria was what employed all our fears ; but, as you know, about the year 1660, the face of affairs in Europe changed, the Spanish monarchy was declined, and France became the rising empire. And it rose so fast as to beget just apprehensions to England for our future safety. In the meanwhile several good patriots, perceiving the court then fatally running into French interests and measures, and finding it would be difficult to engage the people (newly come out of a civil war) to follow and join with them in more national councils by speculations merely political concerning the progress of the French arms and power, they thought the best course to awaken Englishmen was to alarm them about the danger they were in to lose their trade, and for this reason nothing was so common as to cry that England was undone by the prodigious overbalance the French had upon us.” To prove this, divers estimates were drawn up and laid before the king, the committees of council, and the *House of Commons*. With regard to these

estimates, Davenant remarks, in the first place, that, whatever may have been the case as to the trade with France, it is evident, beyond all dispute, that, from the Restoration to the Revolution, our trade with the whole world must have been a most gainful one, even in the sense of those who will admit nothing but an overbalance of gold and silver to be a gain in commerce, seeing that, in that space of time, there was actually coined at the Mint, as appears from the Mint-rolls, above six millions of gold and above four millions of silver. "If England," he proceeds, "had suffered such a drain as the loss of a million per annum by its dealings with one single country, there could not have been such an immense leakage in those years, nor could the bullion we received from Spain, returned as the overbalance of the trade we had with the Spaniards, have answered and made good such a constant issue: from whence follows, that this balance against us of a million yearly, which has been asserted in several books, and in memorials laid before the king and council, and both Houses of Parliament, must have been chimerical, for bye-ends advanced by some, and ignorantly followed by others." He then states various facts which go to show at least that considerable exaggeration had been used in making up the accounts which appeared to prove so great a balance of imports from France; and, on the whole, he comes to the conclusion, that, if the goods sent from England to France, and those brought from France to England, had been fairly valued, there would be found to have been no considerable difference between the money amount of the one and of the other. But, after all, he goes on to remark, the question remains, "how far the excess between the exports and imports may be deemed a certain rule, whereby to judge whether a country gets or loses by its trade?" And upon this point he adduces some startling facts. Both in 1663 and 1669, as we have already seen, the imports very greatly exceeded the exports on our trade with the whole world: yet in both those years it was not to be disputed by any man in his senses that we carried on a thriving traffic on the whole. On the other hand, in five more recent years,

for which he presents from the Custom-house books an abstract of the exports and imports between England and all foreign countries, it appears that the exports regularly exceeded the imports in a very high degree ; "and I believe," he says, "it has been the same from 1688 to the time the books of my office began : however, it can hardly be affirmed, and the merchants upon the Exchange will scarce agree, that during this time England has carried on a profitable trade ; at least there appears no overbalance returned to us in bullion, to set the Mint at work ; contrariwise, our specie of gold and silver, since that time, is by degrees visibly diminished." In fine, from these and various other considerations, Davenant is led to have strong doubts whether the popular notion of England having been a loser in her trade with France from the Restoration to the Revolution, or to the passing of the prohibitory act in 1678, be not a mere popular delusion. "Great Britain at that time," he observes, "had no marks upon it of a nation declining in wealth and commerce : the interest of money was low, the species of gold and silver abounded ; the middle ranks of men had a large proportion of plate among them ; after a general conflagration the city was rebuilt in a few years, magnificent public edifices were erected, the farm-houses everywhere were in good repair." He adds that the tonnage of mercantile shipping infinitely exceeded what it was when he wrote, in 1711 ; and that even at the low duties then in force the customs for the year ending Michaelmas, 1677, produced no less than 828,200*l.** All this he justly considers to have been the fruits and the evidence, not of a decaying, but of a prosperous and extending, trade.

In 1685 occurred an event which was followed by important consequences to the industry both of France and England, the flight from the former country of a large portion of its manufacturing population on the revocation of the law passed by Henry IV. in 1598 for the protection of his Protestant subjects, called, from the place of its pro-

* This agrees very nearly with the account printed by Chalmers, if we take in the additional duty on wines, which that year produced nearly 150,000*l.*

mulgation, the Edict of Nantes. The number of persons who withdrew from the dominions of the French king upon this occasion is supposed by the lowest estimate to have exceeded three hundred thousand ; but, including all who during some years before had fled from the coming storm, as well as those whom it swept before it when it actually broke out, they have been reckoned to amount to eight hundred thousand, or even to a million. Of the mere working people the greater part settled in Prussia ; whither, Frederick II. informs us, in his Memoirs of the House of Brandenburg, they brought all sorts of manufactures which the country before wanted, establishing, under the protection of the Elector Frederick William, the fabrication of cloth, serges, stuffs, druggets, crepes, caps, stockings, hats, and also the dying of all sorts of colours. " Berlin," it is added, " now had goldsmiths, jewellers, watchmakers, and carvers ; and such as were settled in the open country planted tobacco, and a variety of fruits and pulse." But those of a superior class or who had more money, generally took refuge in England and Holland. Voltaire, who makes the entire number that left France in three years about five hundred thousand, says, " An entire suburb of London was peopled with French manufacturers of silk : others carried thither the art of making crystal in perfection, which has been since this epoch lost in France."* Besides Spitalfields, the suburb alluded to by Voltaire, some thousands of them settled in Soho and St. Giles's ; and, besides those who took up their abode in London, many were dispersed in various parts of the country. " It may seem somewhat strange," Anderson writes, " that more of them did not settle in England, considering the general liberty of this free nation ; yet, through the too general and impolitic aversion of the English to all strangers, even though suffering for the Protestant religion, and their monopolizing corporation cities and towns, and, on the other hand, the great immunities, &c., allowed them in Holland, Switzerland, Germany, and Prussia, we are not to wonder that not above fifty thousand of them did actually settle in England ; where, in-

* Siècle de Louis XIV. chap. 32.

stead of doing us hurt, they have proved a great and manifest blessing by improving some of our ancient arts and manufactures, and likewise by introducing various new ones. Others, however, think that in all there were settled in Great Britain and Ireland at least seventy thousand of those refugees.... As many of those refugees were eminent merchants, and did undoubtedly bring along with them much money and effects, I have seen a computation on the lowest supposition of only fifty thousand of those people coming to Great Britain, and that, one with another, they brought sixty pounds each in money or effects; so that they added three millions sterling to the wealth of Britain." He adds, that even in King James the Second's reign large collections were made for the refugees; and that at the Revolution the yearly sum of 15,000*l.* was settled on such of them as either were persons of quality, or were, through age or other causes, unable to support themselves. To these French refugees, "England," he observes in conclusion, "owes the improvement of several of its manufactures of slight woollen stuffs,—of silk, linen, paper, glass, hats (the two last since brought to the utmost perfection by us). The silks called alamodes and lustlings were entirely owing to them; also brocades, satins, black and coloured mantuas, black paduasoys, ducapes, watered tabbies, black velvets; also watches, cutlery-ware, clocks, jacks, locks, surgeons' instruments, hardware, toys, &c."^{*}

The reduction of the legal rate of interest to six per cent., which had been made by the Rump parliament in 1651, was confirmed after the Restoration by the act 12 Car. II. c. 13, entitled, An Act for restraining the taking of excessive Usury. "The abatement of interest from ten in the hundred in former times," the preamble declares, "hath been found, by notable experience, beneficial to the advancement of trade and improvement of lands by good husbandry, with many other considerable advantages to this nation, especially the reducing of it to a nearer proportion with foreign states with whom we

* *Chron. Deduct. of Commerce*, ii. 569.

traffic ; and in fresh memory the like fall from eight to six in the hundred by a late constant practice hath foar the like success, to the general contentment of this nation as is visible by several improvements." In Scotland the reduction was not made till 1672. To the reduction of interest to six per cent. Sir Josiah Child, in his " Brief Observations concerning Trade and Interest of Money," first published in 1688, ascribes the most important effect in the augmentation of the national wealth ; and, although his notion upon this point is a mere fallacy, some of the facts which he mentions, and with regard to which his authority is unquestionable, however much he may be mistaken as to the cause to which he would trace them, are curious. When he wrote, he asserts, there were more men to be found upon the Exchange of London worth ten thousand pounds than were worth one thousand when the reduction was first made by the Rump parliament. He adds, that five hundred pounds with a daughter, six years before, was esteemed a larger portion than two thousand pounds now ; that gentlewomen in former times esteemed themselves well clothed in a serge gown, while a chambermaid would now be ashamed to be seen in ; and that, besides the great increase of rich clothes, plate, jewels, and household furniture, there were a hundred coaches now kept for one that was kept formerly.

Of the great chartered associations which in earlier times used to monopolize the commerce to different foreign regions, the East India Company is the only one which demands any particular notice in the present period. While the others, as trade outgrew the need of such shelter and propping, were gradually losing their exclusive privileges and sinking towards decrepitude and insignificance, it was fast surmounting the impediments of various kinds, both abroad and at home, that had hitherto entangled its progress, and becoming every day more prosperous and more firmly established. Although the charter the Company had obtained from Cromwell in 1657 was not yet expired, it was thought advisable, in the change that all things had undergone, to get a new one from the restored king ; and they were accordingly re-

incorporated by Charles, on the 3rd of April, 1661, with a full confirmation of all their ancient privileges, and the important additional rights :—1. Of erecting so many forts as they pleased in India and St. Helena, and appointing judges to try both civil and criminal causes ; 2. Of making peace and war with any people not Christians, within the limits of their trade ; 3. Of seizing all English subjects found without their licence in India or in the Indian seas, and sending them home to England. In 1669 the island of Bombay, which Charles had received from Portugal as part of the dower of Queen Catherine, was made over by him to the Company, to be held by them “in free and common socage, as of the manor of East Greenwich, at an annual rent of ten pounds.” The trade of the Company now became so lucrative, that in 1676 they were enabled to double their capital out of their accumulated profits ; on which the market price of their stock immediately rose to 245 per cent. A view of the state of the commerce with India about this time is very fully given in a publication which appeared in 1677 entitled “The East India Trade a most profitable Trade to this Kingdom,” and which is supposed to have been written by Sir Josiah Child. The Company, this writer states, then employed from thirty to thirty-five ships, running from 300 to 600 tons burden, and carrying, or capable of carrying, from forty to sixty or seventy guns each. Their annual exports amounted to about 490,000*l.*; namely, 320,000*l.* in bullion, and the remainder in cloth and other goods. Their imports in calico, pepper, saltpetre, indigo, silk (raw and wrought), drugs, &c., had in the year 1674-5 produced 860,000*l.*, and often yielded a much larger sum. Besides this, the private trade allowed by the Company to owners of ships, commanders, and seamen, as well as to their own factors, for diamonds, pearls, musk, ambergris, &c., occasioned an annual export of from 80,000*l.* to 100,000*l.* in bullion, and about 40,000*l.* or 50,000*l.* in goods, and brought returns to the amount of 250,000*l.* or 300,000*l.* Of the 110,000*l.* worth of goods exported by the Company, 40,000*l.* or 50,000*l.* worth

consisted of foreign commodities, the rest of home produce and manufactures; such as drapery, tin, and lead. Of the imports, there might be consumed in England, pepper to the value of 6,000*l.*; saltpetre to that of 30,000*l.*; silks (raw and manufactured) to that of 30,000*l.*; calicoes to that of 160,000*l.*; and indigo and other drugs to that of from 10,000*l.* to 15,000*l.* "All the rest of the returns abovementioned," the statement proceeds, "amounting to 630,000*l.* value, are transported to foreign markets, as is also most part of the private trade. The pepper I reckon at 8*d.* per pound weight, so necessary a spice for all people, which formerly cost us 3*s.* 4*d.* per pound, being nowhere to be had but in India; and, were we obliged to have it from the Dutch, they would probably raise it as high as they do their other spices; yet, supposing it so low as 1*s.* 4*d.* per pound, it would be a further annual expense of 6000*l.* to the nation. Saltpetre is of that absolute necessity, that without it we should be like the Israelites under the bondage of the Philistines—without the means of defending ourselves. Possibly, even if we had no Indian trade, we might in time of peace, purchase it, though it would cost us double what it now does. But in case of war where could we have sufficient? Not, surely from our enemies. Or, would our gentlemen, citizens, and farmers be willing to have their cellars and rooms dug up as in King Charles I.'s reign, and be deprived of freedom in their own houses, exposed and laid open to saltpetre-men? Which method would be, besides, by no means equal to the affording us the necessary supplies. Raw silk we might possibly be supplied with from other parts, though not so cheap as from India. And India wrought silks serve us instead of so much Italian or French silks, which would cost us almost treble the price of Indian silks, to the kingdom's loss of above 20,000*l.* yearly. Calicoes serve instead of the like quantity of French, Dutch, and Flemish linen, which would cost us thrice as much; hereby 200,000*l.* or 300,000*l.* is yearly saved to the nation. And, if the linen manufacture were settled in Ireland so as to supply

England, our calicoes might be transported to foreign markets." At this time the linen manufactured at home probably did not supply a thousandth part of the consumption. Female dresses had been wont to be principally made of French cambrics, French and Silesia lawns, and other flaxen fabrics of Flanders and Germany; but these fabrics were now beginning to be pretty generally supplanted by the muslins of India. Plain calicoes were also now brought in considerable quantities from India to be printed in England, in imitation of the Indian printed chintzes, the bringing home of which was at last prohibited altogether, for the better encouragement of the English printing business.

It was during the present period that Tea was first brought to England. Known from the remotest antiquity in China and Japan, tea is mentioned under the name of *sah* as the common beverage of the Chinese by the Arabian merchant Soliman, who wrote an account of his travels in the East in the year 850. The earliest European writers, however, by whom it is mentioned, are some of the Jesuit missionaries who visited China and Japan a little before the middle of the sixteenth century, and who describe it in their letters under the names of *cha*, *cia*, *tchia*, and *thee*. It appears to have been first imported, at least in any quantity, by the Dutch East India Company soon after the beginning of the seventeenth century; and by them the small demand of Europe during the greater part of that century was principally supplied. Tea is not enumerated, any more than coffee or chocolate, in the table of rates appended to the tonnage and poundage or customs' dues act passed by the Convention Parliament in 1660 (12 Car. II. c. 4); but it is mentioned in the act passed in the same year imposing an excise upon beer, ale, and other liquors (12 Car. II. c. 23); two of the rates or duties there enacted being, "For every gallon of coffee made and sold, to be paid by the maker, 4d.;" and, "For every gallon of chocolate, sherbet, and tea, made and sold, to be paid by the maker thereof, 8d." And the tax upon tea continued to be an excise duty, that is to

say, to be levied not upon the imported commodity, but upon the liquor made and sold, till the Revolution. At this time the beverage was only just beginning to be known in England. Pepys, in his Diary, under date of September 25th, 1661, records, "I sent for a cup of tea (a Chinese drink), of which I had never drank before." The poet Waller has some lines on the birthday of Queen Catherine, which he entitles, "Of Tea commended by her Majesty;" and from which it should seem that her example had brought the new drink into fashionable use, if, indeed, the poet is not to be understood as, (by a courtly compliment not strictly true) attributing to her majesty, who came over here in 1662, the introduction of it for the first time into the country :—

" The best of queens and best of herbs we owe
 To that bold nation, which the way did show
 To the fair region where the sun does rise,
 Whose rich productions we so justly prize.
 The muse's friend, Tea, does our fancy aid ;
 Repress those vapours which the head invade ;
 And keeps that palace of the soul serene,
 Fit on her birthday to salute the queen."

For some time after this, however, the quantity of tea brought to Europe continued to be very small. In 1664 the East India Company could only procure two pounds and two ounces, which cost them forty shillings a pound, when they wanted to make a present of some rarities to the king ; and in 1666 they had to pay fifty shillings a pound for twenty-two pounds and three-quarters, which they in like manner presented to his majesty. Their own first importation was in 1669, when they received two canisters containing 143*1*/₄ pounds from Bantam, which they did not sell, but partly gave away in presents, partly used in the House for the refreshment of the committees. After this, however, they gradually increased their importations, though still making their purchases generally at second-hand in Madras and Surat, having only once gone for the article to the port of Amoy in China, till, in the year 1678, they brought home 4713 pounds ; &

quantity so large that it glutted the market, so that in the six following years their importations in all amounted only to 410 pounds. It was not, therefore, till after the Revolution that the consumption of tea began to be at all general in this country.*

St. Helena, the possession of which had been confirmed to the Company by their last charter, was taken by the Dutch in 1665, but was regained in 1672, and the following year re-granted by the Crown to the Company for ever. On the 5th of October, 1677, they also obtained a new charter from Charles II., empowering them, among other privileges, to coin money at Bombay and their other possessions in India. In 1680 the first notice occurs of a ship sent by the Company to China. In 1683 they lost their factory at Bantam in the island of Java, one of their oldest and best establishments, in consequence of having taken the unsuccessful side in a quarrel between the king and his son, the latter of whom was assisted by the Dutch, who, on their victory, obtained possession of the factory, which, with the exception of a few years during the last war, they have continued to hold ever since. On this the English established a new factory, which they fortified at a great expense, at Bencoolen, near the southern extremity of Sumatra,—by this means preserving the pepper trade, which would otherwise have all fallen into the hands of the Dutch. On the 3rd of August, 1683, Charles II. granted the Company another charter, conferring upon them some new powers, in particular the right of exercising martial law in their garrisons in India, and of establishing courts for the trial of crimes committed on the seas within the limits of their trade. They afterwards obtained another charter, still further enlarging their privileges, from James II., on the 12th of April, 1686. In India, in the meanwhile, they had become involved in a quarrel with the Nabob of Bengal, within whose government they had had a flourishing factory at Hooghly, a town on the west branch of the Ganges, and the chief port of the province; the result of which was,

* Macpherson, Com. with India, pp. 128—132.

after some fighting, that they removed in 1687 from Hooghly to Sootanutty, a place twenty-three miles lower down, and situated on the opposite or east bank of the same river. From this village has sprung the magnificent modern capital of Calcutta.

There remains to be shortly noticed a comparatively new branch of commerce, which was already rising into importance,—that carried on with the settlements in North America, commonly, in those days, called the Plantation Trade. Davenant tells us that, according to “an account from such as have formerly perused the Custom House books with great care,” the average annual value of exports from England to America, in provisions of all kinds, apparel, and household furniture, in the six years from 1682 to 1688, was about 350,000*l.*; while that of the imports, consisting of tobacco, sugar, ginger, cotton wool, fustic wood, indigo, cocoa, fish, pipe-staves, masts, furs, &c., together with fish from Newfoundland, was not less than 950,000*l.* Of the imports he calculates that about the value of 350,000*l.* might be retained for home consumption; so that there would remain about 600,000*l.* worth to be exported.*

It was the new direction given to trade on the one hand by the East India Company, on the other by the interchange of commodities thus carried on between the mother-country and her Trans-atlantic colonies, to which is chiefly to be ascribed the eager agitation that now began of many of the principles of what has, in more recent times, been termed the science of Political Economy. It is hardly correct to state that the birth of this science in England is to be dated from the present period; for it had in fact been a subject of occasional speculation for at least a century before, in proof of which we need only refer to the very remarkable tract entitled “A Compendious or Brief Examination of certain ordinary Complaints of divers of our Countrymen in these our Days, by W. S.,” (said to mean William Stafford,) which was published in 1581, and which discusses, with a great deal

* *Discourses on the Public Revenues and Trade; Part II. Discourse III. “On the Plantation Trade:” in Works, ii. 17.*

of acuteness, some of the most difficult questions connected with the subject of the origin and distribution of wealth.* But the subject of foreign trade at least had never before been so systematically examined as it now came to be by a crowd of writers in the disputes that arose between various rival commercial interests. We have already had occasion to exhibit some specimens of the reasonings and general views of several of these early speculators, divided as they already were into a number of hostile schools and factions. The prevalent or more popular theories were what have been called the mercantile and manufacturing systems, which, although distinct, were so far from being opposed, that a belief in the one led naturally to the adoption of the other. The manufacturing system, however, was held by some who were not among the adherents of the mercantile system; and of the two it certainly was by far the least unreasonable. The mercantile system assumed that nothing was really wealth except gold and silver; and that consequently the sole test of the profitableness of any branch of trade was whether, on the whole, it brought more money into the country than it took out of it.† The fundamental principle of the manufacturing system was, that a trade was profitable to the public whenever, by means of any restrictions or exclusive privileges, it could be made gainful to the capitalists by whom it was carried

* A pretty full account of this tract (which at one time used to be attributed to Shakspeare, and was indeed reprinted with his name in 1751) may be found in the Penny Magazine for 1836, pp. 130, 148, 164, and 190. We may add, here, that according to a notice in Reed's Catalogue of Law Books, 1809, p. 36, it is said, in the "Memoirs of William Lambarde, in Append. in Bibl. Brit. Top." to have been really written by Sir Thomas Smythe or John Yates, in the reign of Henry VIII. or Edward VI.

† "Even jewels, tin, lead, or iron, though durable, do not deserve to be esteemed treasure," says one of these writers, Mr. Pollexfen, in a publication entitled "England and East India Inconsistent in their Manufactures," quoted by Davenant, Works, i. 382.

on, and their equally protected allies, the raisers and manufacturers of the merchandise the export of which it encouraged. The interest of the purchasers and consumers of the commodities brought home by the trade, that is, of the great body of the community, this theory entirely overlooked, or at any rate treated as a matter of very secondary importance. If the restrictions under which the trade was carried on could be shown to be advantageous for those actually engaged in it, that was enough—it was assumed that they must be beneficial for the public generally. There was, at any rate, nothing in all this repugnant to, or irreconcileable with, the above-mentioned principle of the mercantile system;—on the contrary, the doctrine that nothing was a gain in commerce except a balance in money, or an excess of exports over imports, agreed very well with the further notion that such balance and excess were to be best secured, not by leaving commerce free to flow in its natural channels, but by forcing it in particular directions through all sorts of embankments and artificial conduits.

The most noted among the theoretical writers on the subject of trade in this age, in England, were Mr. Thomas Mun, Sir Josiah Child, and Sir William Petty. The immediate object of most of the publications both of Mun and Child was the defence of the East India Company both against the assailants of its exclusive privileges and against other parties who denounced the Indian trade altogether as bringing a heavy annual loss upon the nation. It is curious to remark the gradual dawning upon men's minds of just views as to this matter with the advance of discussion and experience. Before the controversy about the trade with India, the almost universally received belief had been that the exportation of gold and silver ought as far as possible to be prevented altogether. This was what our old laws had constantly attempted to do; and in fact it was not till the year 1663 that, by a clause in an act for the encouragement of trade (15 Car. II. c. 7, s. 9), it was made lawful to export *foreign coin or bullion*,—"forasmuch as several considerable and advantageous trades cannot be conveniently driven and

carried on without the species of money or bullion, and that it is found by experience that they are carried in greatest abundance (as to a common market) to such places as give free liberty for exporting the same, and the better to keep in and increase the current coins of this kingdom." Here we find apparently a partial recognition of the principle, which was properly the distinguishing principle of the mercantile system, that a trade, though occasioning the export of bullion, might still be profitable, if its imports, by being re-exported, brought back to the kingdom more bullion than had in the first instance been carried out. It was upon this consideration that Mun first, and afterwards Child, endeavoured to establish the profitableness of the trade with India : they did not, and could not, deny that it was only to be carried on by a regular annual exportation of treasure to a considerable amount; but they contended that, although, looked at by itself, it thus showed an unfavourable balance, or, in other words, might be called a losing trade, yet it became in the end greatly the reverse by the much greater amount of treasure which it enabled us every year to draw back from other European countries, which we supplied, after satisfying our own consumption, with eastern commodities. As an answer to the particular objection which it professed to meet, this reasoning was sufficiently conclusive ; and the mercantile system, in so far as it opposed the old prejudice against the exportation of gold and silver in any circumstances, was undoubtedly in the right, and was a step in advance. It was even in advance of the law of 1663, which only permitted the exportation of foreign bullion ; for the argument urged by Mun and Child implied no limitation of that kind. Mun published his Defence of the East India Trade in 1621 ; his Treasure by Foreign Trade, his principal work, did not appear till 1664, some years after the author's death, but had probably been written about 1635 or 1640.* Child's New Discourse of Trade, the principal object of which was to urge the reduction of the

* Principles of Political Economy, by J. R. McCulloch, Esq. 2nd edit. 1830, p. 30.

legal rate of interest, was first published, as already stated, in 1668, and re-published in 1690: the anonymous pamphlet attributed to him in defence of the East India Company appeared, as we have also mentioned above, in 1677. These works of Mun and Child, mistaken as the writers are in some of their leading principles, contain many incidental arguments and remarks of great value, and which must have materially helped to advance the science of which they treat, notwithstanding their fundamental errors. The principal work of Sir William Petty, besides his Political Arithmetic, which treats chiefly of the subject of population, is his "*Quantulumcunque*," a treatise on money, published in 1682, in which there are also many sound observations, though even he had not altogether emancipated himself, any more than his predecessors and contemporaries, from the false notion that there was something about gold and silver distinguishing them as articles of commerce from all other commodities. The first promulgation of perfectly sound views upon this subject was reserved for a date a few years beyond the close of the present period.

In 1655 Cromwell had appointed his son Richard, and many other lords of his council, judges, and gentlemen, together with about twenty merchants of London, York, Newcastle, Yarmouth, Dover, and other towns, "to meet and consider by what means the traffic and navigation of the Republic might be best promoted and regulated," and to make a report to him on the subject.* But the first permanent Board of Trade appears to have been that established, on the recommendation of Ashley, by Charles II., in 1668, under the name of the Council of Commerce, consisting of a president, vice-president, and nine other members, with regular salaries. The Earl of Sandwich was appointed the first president; and after his death, in the sea-fight of 1672, Ashley himself, now Earl of Shaftesbury and Lord Chancellor, was nominated as his successor in a new commission, in which the reasons for establishing the council were stated to be

* *Thurloe's State Papers*, iv. 177.

the considerable enlargement that had of late years taken place in his majesty's dominions, " by the occasion of many great colonies and plantations in America and elsewhere," and the increase that the customs and royal revenues had received, as well as the trade and general wealth of the kingdom, by the mutual commerce and traffic between England and the said colonies and plantations. This Council of Commerce, however, remained in existence only a few years, Charles probably finding the expense inconvenient.

According to the account laid before the House of Commons in 1791, as made up at the Navy Office, the tonnage of the royal navy was, at the Restoration, 57,463 tons ; in 1685, at the end of the reign of Charles II., 103,558 ; and at the Revolution, in 1688, 101,892. Notwithstanding the attention, therefore, which James II. is said to have paid to maritime affairs, and the liberal expenditure on this branch of the public service for which it is customary to give him credit, the royal navy would appear to have been diminished rather than augmented in the course of his short reign.

Among the acts of the Convention Parliament, in 1660, was one (the 12 Car. II. c. 35) giving a new establishment to the Post Office, or rather continuing the regulations which had been established by the Commonwealth ordinance in 1656. The lowest rate fixed by this act, was two-pence, which was the charge for a single letter between places not more than eighty miles distant from each other. There is nothing said about franking in the act ; although a resolution brought up by a committee of the House of Commons on the 28th of March, 1735, and agreed to by the House, affirms that the privilege of franking by the members of that House " began with the erecting a post-office within this kingdom by act of parliament." In 1663 the post-office revenue, along with the produce of the wine licences, was settled by another act (15 Car. II. c. 14) on the Duke of York and his heirs male ; at which time it appears from a clause in the act that the office of post-master-general was farmed at a yearly rent of 21,500*l.*

On the accession of James II. the revenue of the post-office was estimated at 65,000*l.* per annum. As connected with this matter it may be here mentioned that the first toll-gates or turnpikes erected in England are supposed to have been established in 1663, by the act 15 Car. II. c. 1, entitled "An Act for Repairing the Highways within the Counties of Hertford, Cambridge, and Huntingdon." They were ordered to be erected at Wadesmill in Hertfordshire, at Caxton in Cambridgeshire, and at Stilton in Huntingdonshire. The preamble of the act recites that "the ancient highway and post-road leading from London to York, and so into Scotland, and likewise from London into Lincolnshire, lieth for many miles in the counties of Hertford, Cambridge, and Huntingdon, in many of which places the road, by reason of the great and many loads which are weekly drawn in waggons through the said places, as well by reason of the great trade of barley and malt that cometh to Ware, and so is conveyed by water to the city of London, as other carriages, both from the north parts, as also from the city of Norwich, St. Edmondsbury, and the town of Cambridge to London, is very ruinous, and become almost impassable, insomuch that it is become very dangerous to all his majesty's liege people that pass that way."

The growth of London during the present period, notwithstanding the ravages of the great plague and fire, still proceeded at an accelerating rate. We shall briefly note down in their chronological order a few of the facts which more distinctly indicate this continued extension of the English metropolis. An act passed in 1662 (the 13 and 14 Car. II. c. 2), for repairing the highways in London and Westminster, supplies us with various particulars as to its state at that time. The preamble of the act recites that "the common highways leading unto and from the cities of London and Westminster and the suburbs thereof, and other places within the present *weekly bills* of mortality, by reason of the multitude of *houses* lately built, and through the stopping and filling up the ditches and sewers, and neglect of timely repara-

tions, are at present, and for some years past have been, so miry and foul as is not only very noisome, dangerous, and inconvenient to the inhabitants thereabouts, but to all the king's liege people riding and travelling to and from the said cities." The following "common highways and new-built streets" are particularly ordered to be immediately repaired, new-paved, or otherwise amended:—namely, "the street or way from the end of Petty France to St. James's House, and one other street from St. James's House up to the Highway (the present St. James's-street), and one other street in St. James's Fields, commonly called the Pall Mall, and also one other street beginning from the Mews up to Piccadilly (the present Haymarket), and from thence towards the Stone Bridge to the furthest building near the Bull, at the corner of Air-street." The number of hackney-coaches now allowed to be licensed, it appears from another clause of the act, was four hundred, or one hundred more than in 1654. Another clause, on the ground that "great quantities of sea-coal ashes, dust, dirt, and other filth, of late times have been and daily are thrown into the streets, lanes, and alleys" of the capital, directs the inhabitants to sweep the streets before their respective houses twice a week, under a penalty of 3*s.* 4*d.* for every instance of neglect. Every person whose house fronted the street was also ordered to "hang out candles or lights in lanterns or otherwise in some part of his house next the street" every night, between Michaelmas and Lady-day, from dark until nine o'clock in the evening, under the penalty of 1*s.* So that at this time the streets of London were not lighted at all during the summer months, and not after nine o'clock even in winter. Finally, a list is given of streets which the lord mayor and city authorities are authorized to receive subscriptions for repairing, as being "so narrow that they are incommodious to coaches, carts, and passengers, and prejudicial to commerce and trading:" these were, "the street or passage at or near the Stocks in London, the street and passage from Fleet Conduit to St. Paul's Church in London, the passage through the White Hart

Inn from the Strand into Covent Garden, the street and passage by and near Exeter House and the Savoy (being obstructed by a rail and the unevenness of the ground thereabouts), the passage and street of St. Martin's-lane out of the Strand, the passage or street of Field-lane, commonly called Jack-an-apes-lane, going between Chancery-lane and Lincoln's Inn Fields, the passage and Gatehouse of Cheapside into St. Paul's Churchyard, the passage against St. Dunstan's Church in the West (being obstructed by a wall), the street and passage by and near the west end of the Poultry in London, and the passage at Temple Bar." After the great fire in 1666, various additional streets in the part of the city that had to be rebuilt were ordered to be widened by two other acts (the 18 and 19 Car. II. c. 8, s. 21, 22; and the 22 Car. II. c. 11, s. 1). This terrible visitation, and the pestilence by which it was preceded, instead of half destroying and depopulating the metropolis, only gave a new impulse to its increase both in size and in number of inhabitants. After a few years the portion of it that had been laid waste rose again from its ruins greatly improved in many respects—with the old narrow and crooked streets for the most part straightened and made comparatively spacious and airy, and with the substitution everywhere of houses of brick, separated by substantial party-walls, for the former tenements of wood offering one continued dry forest to whatever chance spark might at any time fall among them. New buildings also continued to spread faster than ever beyond the ancient limits. In 1674 an order in council was issued to restrain such extension,—for the last time, it is believed, that that exercise of the prerogative was attempted. The increase of the west end continued to proceed at so great a rate that, in the first year of the next reign (1685), acts of parliament were passed erecting two new parishes in that quarter: the one, that of St. Anne's, Westminster, consisting principally of streets that had recently been erected on a piece of ground formerly called *Kemp's Field*; the other, that of St. James's, *Wcstminster*, comprehending Jermyn-street and other

neighbouring streets, lately erected on what used to be called St. James's Fields.* Both these districts had been till now included in the parish of St. Martin-in-the-Fields. Sir William Petty, we may observe, in his "Political Arithmetic," published in 1687, estimates the population of London at 696,000. He founds his calculation on the number of burials within the bills of mortality, the annual average of which he makes to be 23,212; and on the assumption that one person in every thirty died in the course of the year. Ten years later, Gregory King, calculating from the number of houses as ascertained from the hearth-money returns, made the population of London to amount only to about 530,000.† This estimate is probably as much too low as that of Petty may be too high.

The money of the Commonwealth was all called in after the Restoration, and a new gold and silver coinage immediately struck, similar to that of the preceding reign. In this first coinage of Charles II. the pieces were formed by the ancient method of hammering; the minters who had been employed in coining Cromwell's milled money having, it is supposed, withdrawn or concealed themselves, in apprehension of punishment, and probably also carried their machinery away with them. Milled money, however, was again coined in 1662, and of a sort superior to any that had as yet been produced, having graining or letters upon the rim, an improvement which had not appeared upon the milled money either of Queen Elizabeth or of Charles I. The new gold coin called the Guinea was first struck in 1662, without graining on the rim, and with graining in 1664. It was so called as being made of gold brought from Guinea by the African Company, who, as an encouragement to them to bring over gold to

* In the common editions of the Statutes these acts are included among the public acts, and numbered 1 Jac. II. c. 20 and 22: in the Record Commission edition their titles only are given in the list of Private Acts.

† Political Observations and Conclusions, published at the end of the fourth edition of Chalmers's Estimate of the Comparative Strength of Great Britain, 8vo. Lon. 1804.

glass used in England had hitherto been almost entirely French, "for not only," observes Anderson, "very near all the plate glass of our coaches and chairs, and of our fine looking-glasses, came from France, but likewise our finest window-glass, which was usually called Normandy glass and French crown-glass; both which we have since made entirely our own manufacture in the highest perfection." This writer conceives, also, that the improvement of the various manufactures introduced some years before by the French Protestant artisans who fled to this country on the revocation of the Edict of Nantes could not have been so speedily nor so effectually accomplished, had it not been for the complete prevention of intercourse between the two countries by this war. To this cause he attributes the progress made by us in the manufacture of cutlery, watches, toys, ribbons, and especially of broad silk; in all of which branches we came in course of time even to outdo the French. In other cases, however, it is admitted that the failure of the usual supply from France merely occasioned the importation of the article from another quarter. Thus, before the war, we had been accustomed to consume the coarse linens of that country, called dowlasses and locksams, chiefly manufactured in Normandy and Britany, to the annual value of above 200,000*l.*; but now, "England," says Anderson, "not being well able to be without those two sorts of linen, set the Hamburgers on imitating them so well, that the very names of these French linens with us are buried in oblivion." Here, then, the consolation was, that, if we were no gainers, our enemies at any rate were losers—that France was almost entirely deprived of a most profitable manufacture, which she was never likely to recover.

On the whole, however, the war, wasting capital on the one hand, and impeding its accumulation on the other,—augmenting the public burdens, and generally diminishing private gains,—could not fail, ere long, seriously to affect our economical prosperity; and accordingly, when it had been brought to an end by the peace of Ryswick, in 1697, the kingdom seems to have felt like a man staggering with fatigue and weakness. One writer of the day observed,

"that so great had been the losses of a seven-years' war, if a great stock be absolutely necessary to carry on a great trade, we may reasonably conclude the stock of this nation is so diminished it will fall short, and that, without prudence and industry, we shall rather consume what is left than recover what we have lost."^{*} Dr. Davenant, in replying to this writer, although he does not take so desponding a view of the state to which the war had reduced us, yet admits not only that it put a stop to a course of constantly augmenting prosperity that had gone on without interruption from the Restoration, but that it had consumed much of the wealth accumulated in that previous long period of peace, as well as inflicted the most serious injury upon various branches of our trade. "Besides the ordinary expences of the war," he observes, "our dead losses at sea, in nine years' time, have amounted to a greater sum than is fit here to mention."[†] In regard to our foreign commerce, he thinks it will be a great matter for the present if we can recover the ground we had lost during a contest which had left us, there and all over, sore with wounds. "By the unlucky conduct of our naval affairs," he proceeds, descending to particulars, "the trade to and from this kingdom was chiefly done by princes and states in neutrality, such as Denmark and Sweden to the northward, Portugal and the state of Genoa, who have hereby not only increased in their shipping but in the knowledge of our trade; and, unless care be taken to regain to England, in the very beginning of this peace, the ground we have thus lost, in all likelihood it will never be recovered." He goes on to complain of encroachments that had been made upon the Navigation Act through "the slack administration which war occasions;" and then he adds the following account of the state to which some of the most important branches of our trade had actually been reduced:—"The Norway and the

* Pollexfen. Discourse on Trade, Coin, and Paper Credit. 1697. Pollexfen was at this time a member of the Board of Trade.

† Discourses on the Public Revenues and on the Trade of England, 1698; in Works, i. 371.

Baltic trade have been lately carried on in a more disadvantageous way than ever ; they always drained us of money ; but this in some measure was compensated by giving employment to near a hundred sail of ships ; but now they do not employ five ships, and for a great while have exported between 3000L. and 4000L. per annum. As to the Guinea trade, this war has brought it to a very low ebb, the French having disturbed our colonies, and destroyed our fortresses and places of strength upon the coast of Afric. The neglect in settling the African trade has forced the plantations [in America] for their support to deal with foreigners for negroes, and consequently to traffic with them in return for those negroes. Some of our West India plantations have been likewise very much dispeopled lately by plagues and earthquakes ; and in some parts, during the late war, the natives are grown upon us ; and in other places we have been harassed and ruined by the French. Our East India Trade is also in a very bad condition ; losses abroad and discouragements at home have very much diminished the capital stock. The late piratical attempts on the Mogul's subjects and allies in the Red Sea have brought difficulties upon the Company's affairs in India not easily to be overcome ; and these piracies are partly the effect of that loose administration with which war is accompanied ; for the ships which have committed these depredations have been chiefly fitted out from the West India ports : if the governors there had kept a jealous eye over these freebooters and buccaneers—if they had narrowly watched their goings out and their coming in—if, instead of sharing in the spoil (which perhaps has been practised), they had compelled suspected persons to give good security for their behaviour, or laid an embargo on their ships—and if they had been vigorous in seizing and prosecuting these pirates at their return (the contrary of which is but too notorious), such wicked actions and breaches of the laws of God and nations could never have been committed.”*

Davenant, however, argues that, notwithstanding all its

* Discourses on the Public Revenues, &c., in Works, i.
898.

had suffered, the country had the principle of life still strong within it; and that even from the manner in which it had stood the severe strain of this war great consolation was to be derived, and hope for the future. After remarking that we had been able "to maintain a war abroad, with a fleet at the yearly charge of 2,500,000*l.*, and a land army at the yearly charge of above 2,500,000*l.*, of which a great part for some time has been spent in other countries,"—and "(the ordinary revenues of the crown not included) to give in taxes upwards of 39,000,000*l.*. of which about 25,000,000*l.*. have been actually levied, 14,000,000*l.*. are in a way of payment, and the rest remains a debt to be provided for,"—he proceeds, in the following passages, to give as comprehensive and trustworthy a description as is probably anywhere to be found of the real state in which the war had left the kingdom:—
" Our stock in stored goods, plate, jewels, money, and merchant-ships, is apparently not so great now as it was in 1688; however, we have still so good a prospect, and such a remainder of strength, as, if it be well managed, our affairs may be restored in some moderate term of time. A good symptom, for the present, of remaining health and vigour in the body politic is, that we see nothing abated in the price of our native commodities. And, besides, without doubt, we have yet felt no such poverty as has reduced us to let our buildings and farm-houses go to ruin. As yet, there has been no where a visible fall in the rents of land and houses. It is true the interest of money is risen; but that has plainly proceeded from the advantage men have found by dealing with the exchequer. It is to be feared our stock of shipping for trade is less at present than before: however, our fleet and naval strength is apparently more powerful now than ever it was; and undoubtedly this war has bred us more able seamen than formerly we had. But the truest sign of our vitals not being tainted, and that we are not wounded in any noble part, is, that our manufactures and all our home produce, generally speaking, hold up to their former rates. For this is a direct evidence that we are not at all, or very little, diminished in the number

of our people ; and it is a mark, that, though we may have been interrupted in our importations, yet that we export rather more than in former times. If we decreased in people to any degree there would be less consumption, and consequently our home commodities would have become cheaper ; and, if there were not a great call abroad for our product and manufactures, they must sink in value here. Not only now, but during the whole war, they have sold well at home and abroad, which is a sign that we did not quite consume and live altogether upon the capital, but that our annual produce and income did go a great way towards maintaining our foreign expenses." The war, finally, he observes, had not been unproductive of some advantages to our domestic industry, which helped to enable us to sustain the heavy pressure it had laid upon us :—" As it hindered our trade, and was expensive to us, so it interrupted the tillage, labour, and manufactures of other countries, and created there a necessity of our commodities ; to which must be attributed, in some measure, the great call that has been during nine years for our corn, barreled beef and pork, tallow, leather, cheese and butter, and coarser sort of drapery. The returns of these commodities have helped us to maintain our foreign expenses, and have kept the radical moisture within the kingdom, which otherwise must have been quite exhausted by drawing out those sums that were necessary to subsist our troops in Flanders. This exportation, occasioned by the wants which war only had brought upon our neighbours, has stood in the room of money, which else must have been exported ; so that, comparing the present species with what was in the kingdom in 1688, there seems to be still more money left than we could reasonably hope to find after a war so long and so expensive. By the stock that had been gathered in peace, and by the benefit of these more than ordinary, and in some sort accidental, exportations, we have maintained ourselves for nine years ; and now, at the end of the business, our condition is very far from desperate."*

* *Discourses on the Public Revenues, &c., in Works, i.
380.*

The fact, often exemplified, of the rapidity with which a country recovers from the obstruction and waste of war, as if the spirit of enterprise started forth on the return of peace like a spring from which a heavy pressure had been removed, and the very vacuum to be filled up occasioned a sudden rush of activity and consequent gain into the re-opened channels of industry and commerce, verified Davenant's hopes and prognostications. The total tonnage of English ships cleared outwards rose again in 1697, the very first year of the peace, to 144,264 tons, and that of foreign ships to 100,524: and the entire official value of the exports to 3,525,907l. On the average of the three years 1699, 1700 and 1701, the last of the peace, the value of the annual exports was 6,709,881l., conveyed in 337,328 tons of shipping, of which no less a proportion than 293,703 was English, the foreign having by this time fallen to 43,625.* Comparing this state of things with the point to which our commerce had been depressed (as above recorded) in the last year of the war, we find that in five years of peace our exports had very considerably more than doubled, and our mercantile marine more than quadrupled. It appears also, that, whereas the net average annual income of the Post Office during the eight years of the war was only 67,222l. (it had fallen, as we have seen, to something considerably under this sum in 1697), its average amount for the space from 1698 to 1701 inclusive was 82,319l.† These figures look insignificant enough at the present day, but they do not for that the less distinctly indicate the movements of what may perhaps be styled one of the best barometers we possess of the commercial activity, and even of the general economical condition, of the country.

Having cast this summary glance over the progress of our trade and public wealth during the reign of William, we will now proceed to notice some of the most important or most illustrative particulars by which this portion of the history of our national industry is marked.

* *Mr. Astle's transcripts*, in Chalmers, p 72.

† *Ibid.*

It was in this reign that the Bank of England was founded, principally through the exertions of Mr. William Paterson, famous also as the projector of the Scottish Darien Company. Paterson, according to his own account, commenced his exertions for the establishment of an English bank, similar to those already existing at Amsterdam, Venice, Genoa, and Hamburgh, in the year 1691. A principal object which he had in view from the first, in addition to the accommodation of the mercantile community, appears to have been the support of public credit and the relief of the government from the ruinous terms upon which the raising of the supplies and other financial operations were then conducted. The lowest rate, he tells us, at which advances used to be obtained from capitalists, even upon the land-tax, which seems to have been considered the surest part of the national revenue, was eight per cent., although repayment was made within the year, and premiums were generally granted to the subscribers. On anticipations of other taxes, counting premiums, discount, and interest, the public had sometimes to pay twenty, thirty, and even forty per cent. Nor was the money easily obtained when wanted even on such terms. It was no uncommon thing for ministers to be obliged to solicit the common council of the city of London for so small a sum as a hundred or two hundred thousand pounds, to be repaid from the first returns of the land-tax; and then, if the application was granted, particular common councilmen had in like manner to make humble suit to the inhabitants of their respective wards, going from house to house for contributions to the loan.* In these circumstances Paterson might have laid his account with the opposition of the monied interest, whose inordinate gains his proposed Bank was to put an end to; the disaffected, also,—that is, the enemies of the revolutionary settlement,—were all, he tells us, against it; their argument was, that the new Bank would engross to itself all the

* Paterson's Account of his Transactions in relation to the Bank of England, fol. 1695; and his Conferences on the Public Debts by the Wednesday's Club in Friday-street.

money, stock, and riches of the kingdom ; but what he conceived he had less reason to anticipate was the difficulty he experienced in prevailing upon the government to go into his scheme. King William was abroad when the proposal was brought before the cabinet in 1693, where long debates took place upon it in the presence of the queen ; but at last an act of parliament was passed (5 and 6 W. and M. c. 20), which, in imposing certain rates and duties on tonnage of ships, and upon beer, ale, and other liquors, authorised their majesties to grant a commission to take subscriptions for 1,200,000*l.* of the whole 1,500,000*l.* which the new taxes were expected to raise, and to incorporate the subscribers into a company, under the name of the Governor and Company of the Bank of England. Interest at eight per cent. was to be allowed upon the money advanced, and also 4000*l.* a year for management,* making the whole annual payment to the company 100,000*l.* The company were to be enabled to purchase lands, &c., and to exercise all the usual powers of bodies corporate ; but were not to trade in the buying or selling of any goods or merchan-

* "This is the first instance," observes Anderson, "of any national fund being managed by any other than the crown officers at the Exchequer : which new method of allowing a round sum for charges of management has ever since been followed, not only with respect to the Bank, but also to the East India and South Sea Companies ; which allowances for the expense of management, that is, for salaries of governors, directors, clerks, office-rent, &c., were at first usually computed from what similar funds had formerly cost the crown when managed at the Exchequer, though generally, in later times, I conceive, with some saving to the public in this new method." *Chron. Com.* ii. 604. The entire management of the public debt has since been confided to the Bank ; and the annual sum now allowed to it for that service is about 130,000*l.* Previous to the renewal of the charter in 1833 the allowance exceeded 250,000*l.*; and before 1786 it was at the still higher rate of 562*l.* 10*s.* for every million of the debt. But even this was a great reduction upon the original rate which was not less than 333*l.* 6*s.* 9*d.* per million.

dise, except that they might deal in bills of exchange, and in buying and selling of bullion, gold, or silver, and in selling of any goods or merchandise which should be pledged to them for money lent thereon, and might also sell the produce of their own lands. This act received the royal assent on the 25th of April, 1694 ; the subscription for the 1,200,000*l.* was completed in ten days, twenty-five per cent., or a fourth of the whole sum, being paid down ; and the royal charter of incorporation was executed on the 27th of July following. It gave to the establishment the same constitution which it still retains, under a governor, deputy governor, and twenty-four directors, of whom Paterson was one. The new institution, though loudly clamoured against for some time, principally by interested parties, soon proved its usefulness to the general conviction. "The advantages," says Burnet, "that the king and all concerned in tallies had from the Bank were soon so sensibly felt that all people saw into the secret reasons that made the enemies of the constitution set themselves with so much earnestness against it."* Paterson himself ascribes to it no less an effect than the successful termination of the war :—"The erection of this famous Bank," says he, "not only relieved the ministerial managers from their frequent processions into the city for borrowing of money on the best and nearest public securities at an interest of ten or twelve per cent. per annum, but likewise gave life and currency to double or treble the value of its capital in other branches of public credit ; and so, under God, became the principal means of the success of the campaign in the following year, 1695, as particularly in reducing the important fortress of Namur, the first material step towards the peace concluded at Ryswick in the year 1697."

A great operation in which the Bank, almost as soon as it had been set up, was called upon to assist the government and the country was the entire re-coining of the silver money, which was undertaken in 1696. The

* Own Time, ii. 125.

inconveniences arising from the clipping of the silver currency began to be felt about the close of the reign of Charles II., and to a greater degree in that of James II., but only very seriously after the Revolution. In 1692 we find a clause in an act of parliament reciting that "the receivers of the revenue and aids given to their majesties, and divers other persons, have in many places of this kingdom refused to receive or take in payment any sort of cracked money, which by law is and ought to pass as the current coin of this realm, by reason of which refusal many of their majesties' good subjects are under great hardships and difficulties for want of money to pay their taxes and supply their other necessary occasions, whilst the said cracked money lies dead by them, and is rendered wholly useless to their majesties and their subjects."* The clause goes on to enact that whoever should refuse to take in payment any cracked money being the current coin of the kingdom should for every such offence forfeit five pounds, to be recovered by action by any person who would sue for the same. But the evil was not to be cured in this way; no act of parliament could make a piece of silver intrinsically, for instance, worth only ninepence or tenpence pass for a shilling; if dealers could not have the price of their goods in money of sufficient weight, they raised the price; and the law which compelled them to take the clipped money did not, and could not, prevent them from allowing discount to those who brought them shillings, sixpences, or half-crowns of the full weight, or from receiving gold coin for more than its legal value in silver; so that, except that it occasioned some inconvenience, this enactment proved quite ineffectual. Then, in 1694, an act was passed expressly "to prevent counterfeiting and clipping the coin." "It is manifest," says the preamble, "that of late years the current coin of this kingdom hath been greatly diminished by rounding, clipping, filing, and melting the same, and likewise many false and counterfeit coins have been clipped for the better dis-

* 4 W. and M. c. 14, § 7.

guising thereof ;" and then it is declared to be apparent that these practices are " very much occasioned by those who drive a trade of exchanging broad money for clipped money, and by other acts and devices." To remedy this state of things it is now enacted, that, if any person should at any one time either exchange, lend, sell, borrow, buy, receive, or pay any broad silver money, or silver money unclipped, of the coin of the kingdom, for *more* than the same was coined for, and ought by law to go for, he should forfeit ten times the amount of the money so illegally exchanged. A variety of new restrictions were at the same time imposed upon the trade in bullion ; such as, that no person should cast ingots or bars of silver, under a penalty of five hundred pounds ; that none should buy, sell, or have in custody any clippings or filings of coin under the like penalty ; that no person should export any melted silver without having it first stamped at Goldsmiths' Hall, and taking oath that no part of it had been before it was melted current coin of the kingdom, or clippings therfrom ; that none but goldsmiths and refiners should deal in the buying or selling of silver bullion, under pain of suffering six months' imprisonment, &c.* But it might as well have been attempted to stop the flowing of the tide by act of parliament. Before this measure was devised, guineas were passing for thirty shillings, and exchequer tallies were often at from thirty to forty per cent. discount. The new act did as little good as the other passed two years before ; " and," says Anderson, " as the diminishing of the old hammered money daily increased, so far that it is said shillings scarcely contained more than threepence in silver, the condition of the nation became very alarming ; which gave the greatest joy to the disaffected at home, who hoped thereby for a total overthrow of King William's government. The French king also had great expectations from this calamity, so far as to have been heard to say, that King William would never be able to surmount the difficulty."† The wretched state to which

* 6 and 7 W. and M. c. 17.

† Chron. of Com. ii. 619.

the coinage had actually been reduced is most clearly set forth in an "Essay for the Amendment of the Silver Coin," which appeared in 1695, and the author of which evidently writes from official sources of information. He computes the entire silver money coined by Queen Elizabeth to have amounted to 4,632,932*l.*; that coined by James I. to 1,700,000*l.*; and that coined by Charles I. to 8,776,544*l.*; making, in all, 15,109, 476*l.* By this time all Queen Elizabeth's crowns, half-crowns, groats, quarter-shillings, half-groats, three-halfpenny pieces, three-farthing pieces, and halfpence, were wholly gone; and also great numbers of her shillings and six-pences. The crowns, groats, twopenny pieces, pence, and halfpence of James I. and Charles I. had likewise all disappeared; with many of their half-crowns, shillings and six-pences. On the whole, this author calculates that there did not remain in circulation more than a third part of this old coinage, or not much above 5,000,000*l.* sterling. This, however, constituted by far the greater part of the existing silver currency; for the unmelted coins of Charles II., James II., and King William did not amount to more than about 568,000*l.* Thus the nominal value of the whole silver money of the kingdom, clipped and unclipped, hoarded and current, was about 5,600,000*l.* But of this about 4,000,000*l.* consisted of clipped money; while the remaining 1,600,000*l.* was either hoarded up, or current only in the remote counties. The most curious part of the statement, however, and that also which proceeds upon the surest grounds, is the calculation of the extent to which the clipping had been carried. There had, it seems, been brought into the Mint, in the three months of May, June, and July, 1695, 572 bags, each containing 100*l.* of silver coin, promiscuously collected, which, according to the standard, ought to have weighed 18,451 lbs. 6 oz. 16 dwts. 8 grs. troy; but the actual weight of the whole turned out to be only 9480 lbs. 11 oz. 5 dwts., or very little more than half what it ought to have been! The exact diminution amounted to about five shillings in every eleven. The whole four millions of clipped silver money, there-

fore, were really not worth much more than two millions sterling ; and the loss consequent upon calling in the whole and re-coining it would not amount to much less than that sum. The prospect of this great outlay, however, notwithstanding considerable opposition on the part of some members, did not deter parliament from resolving upon the only course that could effectually remedy the evil. By a succession of acts passed in the course of the years 1696 and 1697, provision was made for gradually calling in all the old silver money, and replacing it by another currency of the full standard weight ; and before the end of the latter year the entire operation was accomplished, and "our silver coins came forth from the Mint," to quote Anderson's expression, "the finest and most beautiful of any in all Europe." The new money was coined partly at the Tower, partly at the country mints of Bristol, Exeter, Chester, Norwich, and York. According to an account which has been printed, of the receipts and issues of the Exchequer during the reign of William, the entire cost amounted to something under two millions and a half—a sum sufficiently near the estimate of the author of the essay from which we have taken the above view of the actual state of the silver currency before this re-coinage, to entitle us to place considerable confidence in the general accuracy of his facts and calculations.*

To the Chancellor of the Exchequer, Charles Mon-

* The amount referred to is printed in the Parliamentary History, vol. v. Appendix 19; and also in Sinclair's History of the Public Revenue (3rd edit.) vol. iii. Appendix, pp. 152—159. It is observed, however, by Leake, that the "provision by law to receive the clipped money was the greatest encouragement to promote clipping, and gave the clippers all the advantages they could desire, making the crime more general ; for now they were sure of a market for their clipped money ; so that what had been hoarded, and hitherto escaped the shears, now underwent the same fate ; and it is not improbable that more was clipped and reclipped upon this general licence than had been before."—*Historical Account of English Money*, 2nd Edit. p. 392.

tague, afterwards Earl of Halifax, is ascribed the main credit of suggesting and carrying through this great reform, which was undoubtedly the mightiest financial operation that had yet been achieved or undertaken in England. In the mean time, however, it had, before its completion, very nearly brought down the infant establishment of the Bank, whose notes, together with the new Exchequer Bills, (also a contrivance of Montague's,) had chiefly supplied, while the re-coinage was proceeding, the vacuum occasioned by the abstraction of the old clipped silver money. But these notes, being payable on demand, were presented so much faster than the new coin could be supplied from the Mint, that the Bank, in the course of the year 1697, was obliged to resort to what amounted in fact to a suspension of payments—giving coin for its notes, first by instalments of ten per cent. once a fortnight, and afterwards only at the rate of three per cent. once in three months. The consequence was, that Bank paper fell to a discount of from fifteen to twenty per cent. In the preceding year the directors had made two successive calls of twenty per cent. each upon the proprietors; but such was the difficulty of procuring money, that we find them, in the Gazette of the 6th of May, 1697, urging the defaulters upon the last of these calls, which should have been attended to on the 10th of the preceding November, “and also those indebted to the Bank upon mortgages, pawns, notes, bills, or other securities, to pay in the said twenty per cent., and the principal and interest of those securities, by the 1st of June next.” But these difficulties were soon removed and the credit of the Bank completely restored by the effects of an act passed in the ensuing session of parliament, adding above a million sterling to the stock of the corporation, and extending the term of its exclusive privileges to the year 1711.* In 1708 its charter was farther continued to the year 1733; in 1712 to the year 1743; and in 1742 to the year 1765. Meanwhile also its capital, or the amount of the advances it had made to

* 8 and 9 Will. III. c. 20.

the public, had gone on increasing, till at the close of the present period it had risen to be nearly eleven millions. The establishment of the Bank of England was immediately followed by that of a similar institution in Scotland, also mainly through the exertions of the public-spirited and indefatigable Paterson. But, while the great corporation in Threadneedle-street remained the only privileged banking association in England, the Bank of Scotland was compelled within the present period to submit to the intrusion, first of one chartered rival, the Royal Bank, in 1727, and then of a second, the British Linen Company, in 1746.

Of the old incorporated trading associations, the only one the history of which offers much matter of interest during the present period, is the East India Company. This Company underwent a complete re-organisation in consequence of measures that were taken respecting it in the reign of William. We have seen that for some time previous to the Revolution the exclusive privilege of the Company had been extensively invaded by numbers of private traders. These interlopers, as they were styled, taking advantage of the natural invidiousness of a monopoly, seem to have at length succeeded in exciting a very general feeling of hostility to the Company; to which were imputed various delinquencies and acts of mismanagement most injurious to the national interests; so that in January, 1692, the House of Commons, carried along by the prevailing clamour, sent up an address to his majesty requesting him at once to dissolve a body that had so misconducted itself, and incorporate a new company. This was the commencement of a long series of proceedings, of which we can here notice little more than the results. On the question being submitted to the privy council, they proposed that a new company should be incorporated for twenty-one years, to consist of the members of the old company, and as many new subscribers as should make up a capital of from 1,500,000*l.* to 2,000,000*l.*, of which the existing company's capital should be considered as making 740,000*l.* But the Company maintained that, reckoning everything they pos-

sessed, and looking to the current price of their stock in the market, their capital could not be fairly estimated at a less sum than 1,500,000*l.* They also contended that their forts, towns, and territories in India were by their charters theirs for ever, whatever might become of their privilege of exclusive trading. No steps were taken to carry into effect the recommendations of the privy council ; nor did the enemies of the Company succeed in getting it broken up, even when the following year, by an unaccountable piece of neglect, it had legally incurred the forfeiture of its charter by the non-payment on the appointed day of a tax upon its capital imposed by a recent act of parliament. On the contrary, on the 7th of October, 1693, it obtained from the king a renewal of its charter, with a full restoration of all its former powers and privileges. Two years after, an investigation was made by parliament into this transaction, when it appeared that the Company had, in the year 1693, expended for special (but unspecified) services little less than 90,000*l.*; of which, among other persons in power, the Duke of Leeds, the president of the council, was all but proved to have been a sharer to a large amount, while his majesty himself was strongly suspected to have benefited to a still larger. These disclosures, or exposures, did not tend to allay the public feeling against the Company ; which about the same time fell into further disfavour by being obliged to suspend for some years the payment of any dividends in consequence of a train of severe losses it had incurred. Indeed, the Company now scarcely derived any advantage at all from its charter, the validity of which was denied by parliament, and which even the government openly disregarded, granting licences to the private traders in the most unreserved manner. To this pass had matters been brought, when, in the beginning of the year 1698, the government, being in want of money, bethought itself of trying what could be made of the monopoly of the India trade, which was thus contested or in abeyance. The Company now offered to make an advance of 700,000*l.*, at four per cent., on condition of obtaining a parliamentary confirmation of their charter ; but on this, at the instigation, as it is alleged, of the Chancellor of the Ex-

chequer, Montague, the private traders offered 2,000,000*l.* at eight per cent., for an incorporation conferring upon them the exclusive privilege of the trade ; and their proposal was accepted. An act was accordingly passed in July of that year, empowering the king to incorporate the new company ; and on the 5th of September following his majesty signed a charter investing the subscribers of the two millions, under the name of The English Company trading to the East Indies, with the exclusive possession of the commerce of that part of the world for ever, subject only to the right of the Old Company to continue their trade for three years longer. Meanwhile, however, the Old Company had, through its treasurer, subscribed no less than 315,000*l.* of the loan of two millions, and had thus become by far the largest shareholder in the new and rival association. Hence a confusion and conflict of claims and interests such as a legislative arrangement has seldom produced. There were now trading all at the same time, first, the Old Company, expressly authorised to go on as usual for three years longer, and even after the expiration of that term left in possession of all its forts and factories in India, and of whatever privileges it had acquired there from the native authorities ; secondly, the New Company, without any Indian possessions whatever, and with the rival body, which aimed at its destruction, permanently, as it were, seated upon its shoulders, and invested with almost a controlling power over its operations ; thirdly, a few of the subscribers to the late loan, who had declined joining the New Company, but who in terms of the original contract with the government were nevertheless entitled, so long as the two millions remained unrepaid, to trade each for himself ; and fourthly, all such separate traders as had cleared out from England previous to the 1st of July, 1698, the right of all such to carry on the trade till they should think fit to return to England having also been provided for by a clause in the act which created the New Company. It is said that no fewer than sixty ships in all were now engaged in the trade, which seems to have been reduced to a state in which all the inconveniences of a free trade and of a no-

nopoly were combined, without any of the advantages of either. The home manufactures were extensively injured by a glut of India goods, the prices obtained for which at the same time entirely failed to renumerate the importers. And still the bitterest hostility divided the two companies, whose quarrel, indeed, gradually became one in which the whole nation took part, the Tories siding with the Old Company, the Whigs with the New, after the manner in which the whirlpool of political faction is wont to draw all things to it. In the city of London in particular, ever since the passing of the act of 1698, which had called the New Company into existence, all the powerful interest of the other company had been strenuously and perseveringly exerted against the government ; and Burnet acknowledges " that this act, together with the inclinations which those of the Whigs who were in good posts had expressed for keeping up a greater land force, did contribute to the blasting the reputation they had hitherto maintained of being good patriots, and was made use of over England by the Tories to disgrace both the king and them."* And the Tory majority in the new House of Commons which met in February, 1701, appears to have been the effect of the returning popular feeling in favour of the Old Company, and of the exertions of their partisans throughout the kingdom, more than of any other cause. The elections, indeed, had turned principally upon the contention between the two companies ; but Burnet himself is constrained to admit that what systematic bribery of the electors took place was chiefly, if not exclusively, on the part of the New Company and his own friends and theirs, the Whigs. When the House met, he tells us, " reports were brought to them of elections that had been scandalously purchased by some who were concerned in the New East India Company. Instead of drinking and entertainments, by which elections were formerly managed, now a most scandalous practice was brought in of buying votes, with so little decency, that the electors engaged themselves by

* Own Time, ii. 209.

subscription to choose a blank person before they were trusted with the name of their candidate." But he adds, with considerable naïveté, "the Old East India Company had driven a course of corruption within doors with so little shame, that the New Company intended to follow their example ; but with this difference, that, whereas the former had bought the persons who were elected, they resolved to buy elections."^{*} The general interest that was taken in the dispute between the two companies did not abate till towards the very close of William's reign ; but at length the parties principally concerned began themselves to perceive that the contest was only exhausting and ruining both ; and shortly after the accession of Anne an arrangement that had been for some time negotiating was completed under the sanction of the queen, by which their differences were composed in the mean time, and provision was made for their ultimate union into one body. The fixed property, or dead stock, as it was called, of the Old Company in India, being valued at 330,000*l.*, and that of the New Company at 70,000*l.*, a fair adjustment of their respective claims and liabilities in regard to that matter was made by the latter paying over to the former the sum of 130,000*l.*, so that each might be regarded as contributing 200,000*l.* to this part of the common stock ; and then the money capital of 2,000,000*l.* was in like manner divided equally between the two, by the Old Company purchasing at par as much stock from the New Company as made up their original subscription of 315,000*l.* to 1,000,000*l.*[†] These terms were embodied in a tripartite indenture, which was signed by her majesty and both Companies on the 2nd of July, 1702 ; and by which it was also stipulated that after the expiration of the term of seven years all separation of interests should cease, and the whole incorporated shareholders should

* Own Time, ii. 259.

† Strictly speaking, the amount of stock held by each company was only 288,500*l.*, the remaining 23,000*l.* being held by parties who, although they had subscribed to the 2,000,000*l.* loan to government, had preferred trading separately to joining the New Company.

form one body, to be called the United Company of Merchants of England trading to the East Indies. This final and complete union, accordingly, took place in the year 1708. After this the Company's charter was three times renewed, and its exclusive trading privileges continued to it, within the present period ; first, in 1712 till the year 1736 ; secondly, in 1730 till the year 1769 ; and lastly, in 1744 till the year 1783.

A few other branches of our colonial and foreign trade, during the reign of William, require only a slight notice. The plantations, as they were called, or settlements on the continent of America, went on steadily increasing in population and wealth ; and by the end of the century the trade with these rising dependencies and the adjacent West India islands is said to have given employment to no less than five hundred sail of ships. Of these doubtless a considerable number were engaged in bringing negroes from the opposite coast of Africa—a trade which had originally been in the exclusive possession of the African Company, but which now, after having been for a considerable time practically open, was in 1698 made so legally by an act of parliament permitting all the king's subjects, whether of England or of America, to trade to Africa on payment of a certain per centage to the Company on all goods exported or imported—negroes, however, being exempted even from this tax. The change thus made was "at that time," remarks Anderson, "in every one's judgment much to the benefit of the nation, more especially with relation to the commerce to our sugar colonies ; for it was confessed by all that the separate traders had considerably reduced the price of negroes to our negro colonies, and consequently had so far the better enabled them to undersell our rivals." In the Newfoundland fishery the French had for some time before the Revolution been encroaching more and more upon the exclusive rights claimed by the English ; the first specific complaint in King William's declaration of war against France in 1689 was, that, whereas not long since the French had been accustomed to take licences from the English governor of Newfoundland for fishing

in the seas upon that coast, and to pay tribute for such licences, as an acknowledgment of the sole right of the crown of England to that island, yet of late their encroachments upon his subjects' trade and fishery there had been more like the invasions of an enemy than becoming friends who had enjoyed the advantages of the said trade only by permission. The capture of Nova Scotia, however, at the commencement of the war, would probably make us again sole masters of the neighbouring island. An act passed in 1698, for the encouragement of the trade to Newfoundland, may be taken as evidence that it was then of considerable value. The preamble declares it to be "a beneficial trade to this kingdom, not only in the employing great numbers of seamen and ships, and exporting and consuming great quantities of provisions and manufactures of this realm, whereby many tradesmen and poor artificers are kept at work, but also in bringing into this nation, by returns of the effects of the said fishery from other countries, great quantities of wine, oil, plate, iron, wool, and sundry other useful commodities, to the increase of his majesty's revenue, and encouragement of trade and navigation." Then follow a number of regulations for the orderly carrying on of the fishery, of which the principal is, that, "according to the ancient custom there used," the master of the vessel from England first entering any harbour or creek in the island after the 25th of March should be admiral of the said harbour or creek during that fishing season, and should see the rules and orders laid down in the act duly put in execution within the limits of the jurisdiction thus assigned to him. It is expressly ordered that no subject of any foreign power "shall at any time hereafter take any bait, or use any sort of trade or fishing whatsoever," in Newfoundland, or in any of the adjacent islands. But this complete exclusion of other countries from the fishery was not long maintained. Measures were also taken a few years after the Revolution to revive the Greenland fishery. In 1692 a company was incorporated for carrying on this branch of trade, by the name of the Company of Merchants of London trading to

Greenland, with a capital of 40,000*l.*, and a charter conferring upon them the usual powers of succession, &c., and the exclusive possession of the trade for fourteen years. The preamble of the act gives a sort of history of the way in which the old English trade to Greenland had come to be "quite decayed and lost." It recites that several merchants and others had been by an act passed in 1673* "encouraged to fit out and send to the said Greenland seas some ships or vessels for the catching of whales, whereby some small quantities of oil, blubber, and whale-fins were imported into this kingdom; but, they not being able to carry on the said trade upon their single or separate interests, in regard that the neighbouring nations did yearly send far greater numbers of ships into those seas, the said merchants and other persons of this kingdom were forced to desist from following the said trade, which is now wholly engrossed by foreigners; and since the expiration and revival† of the said act there hath not been any ships sent from England to the said Greenland seas, or any oil, blubber, or whale-fins imported into England but such as have been bought of foreigners, whereby great sums of money are yearly drawn out of England for those commodities, and the rates and prices which are now paid for the same are now above six times more than heretofore they were; and, the said trade having been for above these twelve years last past wholly lost to this kingdom, there are very few or no English harpinierers or English seamen skilled and exercised in the said trade of whale-catching, so that the said trade cannot now be regained to this kingdom, nor can be carried on, by or‡ without the assistance of foreign harpinierers, or upon the single interests or stocks of any particular persons, or by any other way than by a joint-stock."§ The trade, however, thrrove under this new system no better than before: after a year or two the Company subscribed an additional capital of 42,000*l.*, and in 1696 they

* 25 Car. II. c. 7, s. 1.

† In 1690 by 2 Will. and Mary, sess. 1, c. 4.

‡ Qy. "by us?"

§ 4 W. and M., c. 17.

got a new act exempting them from all duties upon the oil, &c., imported by them during the currency of their charter; but some years before that term expired they had expended their second capital also, on which they resolved to abandon the speculation. In these circumstances the trade was in 1702 thrown open by parliament, the act declaring that it had been wholly neglected by the Company and lost to the nation.* But no further attempt appears to have been made by any English adventurer in this field of enterprise for many years. In 1699 the trade with Russia, now becoming every day of greater importance in the new position to which that country was raised by the reforms of Peter the Great, was also practically thrown open by an act entitling any person to admission into the Russian Company on payment of an entrance fee of 5*l.* The Turkey Company appears to have been at this date in the possession of an active and prosperous commerce. The French Council of Commerce, in a memorial drawn up in the year 1701, admit that the English then carried on the Levant trade (which was in the hands of this company) with much more advantage than the French, chiefly in consequence of our woollen cloths being both superior in quality and lower in price. "The English," adds the Memorial, "also carry to the Levant lead, pewter, copperas, and logwood, which are goods they are masters of; together with a great deal of pepper; and, that they may not drain their country of its gold and silver, they also take in dry fish of their own catching, sugar of their own colonies, and other goods of their own produce, which they sell on the coasts of Portugal, Spain, and Italy, for pieces of eight, which they carry to the Levant to make up a stock sufficient for purchasing their homeward cargoes."†

The French Council of Commerce was established by Louis XIV. in the year 1700. From its erection Anderson, writing about the middle of the last century, when it still subsisted, thinks there is good reason to date "the

* 1 Anne, c. 12.

† Quoted by Anderson in Chron. of Com. iii. 7.

great and almost surprising increase of the commerce, woollen manufacture, mercantile shipping, and foreign colonies of France.* We have noticed in the last Chapter, the English Council or Board of the same kind established by Charles II. in 1668, which, however, was kept up only for about five or six years. From the time when it was allowed to drop matters relating to commerce and the colonies had been usually referred to committees of the privy council specially appointed to consider each new subject as it arose ; but in 1696 King William issued a commission appointing a permanent Board of Trade, to consist (in addition to the great officers of state, whose attendance was expected to be only occasional) of a first lord and seven other commissioners, each having a salary of 1000*l.* Among the first commissioners were the celebrated John Locke, and Pollexfen, the writer on commerce. They were styled " Commissioners for promoting the Trade of this Kingdom, and for inspecting and improving the Plantations in America and elsewhere ;" and their instructions more particularly directed them to examine into and take accounts of the general trade of England, and of our foreign commerce in all its departments—" to consider by what means profitable manufactures, already settled, may be further improved, and how other new and profitable manufactures may be introduced"—" to consider of proper methods for setting on work and employing the poor, and making them useful to the public"—and, in regard to the plantations, or colonies, to superintend not only their commerce but their government in all respects.† From this last class of duties the Board of Trade must have been relieved, we presume, on the institution of the office of Secretary of State for the Colonies, or the American department, in 1768 ; but its other functions were understood to remain nearly the same as at its first establishment down to its abolition in

* Chron. of Conn. ii. 646.

† See abstract of the original Commission in Macpherson's Annals of Commerce, ii. 680.

1782, when the business of this department of the executive government was made over to a permanent committee of the privy council, according to the arrangement that still subsists.

The Revolution was immediately followed by an innovation, which demands our special notice, in the law regulating the foreign trade in the most important of all productions, the article of corn. As far as the subject can be historically traced, the first law permitting the exportation of corn from England, without the royal licence, was passed in 1394 (17 Rich. II. c. 7). By this law exportation, which appears to have been hitherto strictly prohibited, was made free in all circumstances, that is to say, whatever might be the price at home. The only check reserved was, that, as the king had formerly the power of allowing exportation in particular cases, so now he might forbid it when to do so appeared to him to be for the profit of the realm. The matter, therefore, in fact remained still, as before, under the control of the crown—with this difference, that, whereas non-exportation had been the general rule formerly, liberty of exportation was established as the general rule now. The alteration of the law may be taken as indicating the increased political power of the agricultural interest, and probably also the increased cultivation and produce of the soil. And these same two causes we find operating, with almost uninterrupted constancy, in moulding our corn laws more and more into the form most accordant with the interests of the producer down to the date at which we are now arrived. In 1436 (by 15 Hen. VI. c. 2), the right of exportation, in the case of the home price being under a certain point, was given absolutely, without any restriction or reservation whatever; the old power of prohibition was wholly taken from the king so long as prices remained below the sum specified; it was merely provided that he should have his customs and duties, as usual, upon the exported commodity. And, of course, by the unrepealed act of 1394, exportation, whatever might be the state of *prices at home*, was still also free, unless when expressly

forbidden by royal proclamation. The limit fixed by the act of 1436, as that within which the right of exportation remained independent of the crown, was so long as the home price (of the quarter of wheat) did not exceed 6*s.* 8*d.* In 1463 (by 3 Ed. IV. c. 2) a new advantage was given to the producers, by importation being for the first time forbidden whenever prices should be under that point. In this state the law remained for seventy-one years. But then in 1534 an act was passed (the 25th Hen. VIII. c. 2) which (in so far at least as regarded the exportation of corn) swept away all the legislation of the preceding hundred and forty years, and suddenly restored for a time the old original state of the law, by which exportation was prohibited in all circumstances except under the royal licence. The importation of the article, indeed, still remained fettered by the act of 1463; but probably that act was now nearly inoperative from the rise of prices that had taken place since it passed;—a change that would, to be sure, make the act of 1436 also a dead letter; so that what was really done by Henry VIII.'s act of 1534 was principally to repeal Richard II.'s act of 1394, which first made free exportation the rule and non-exportation the exception, time itself having done the rest. However, the law, as we have said, was now (except as to the partial and probably inapplicable and harmless restriction on importation) brought back in all respects to the state in which it was before the course of legislation in favour of the agricultural interest began. But this lasted for twenty years only. In 1554 (by the 1 and 2 Phil. and Mary, c. 5) the law of 1463 was revived, and exportation again made free when the price was under 6*s.* 8*d.* It is expressly stated in the preamble to this new act that the general prohibition of exportation by the act of 1534 had been extensively evaded or completely disregarded: "yet notwithstanding," are the words of the preamble, "many and sundry covetous and insatiable persons, seeking their own lucre and gains, had and daily do carry and convey innumerable quantity as well of corn, cheese, butter, and other victual [the prohibition

had extended to all other articles of food as well as grain], as of wood, out of this realm into the parts beyond the seas ; by reason whereof the said corn, victual, and wood are grown into a wonderful dearth and extreme prices." So that we see even this short solitary suspension of the onward movement of the land-cultivating, or rather of the land-owning, interest was rather nominal than real. But at any rate the subsequent advance of the landed interest in this course of acquisition was both steady and open enough. In 1562 (by the 17th, or, in the common editions, the 26th section of the 5 Eliz. c. 5, curiously entitled "An Act touching certain politic constitutions made for the maintenance of the Navy") the limit within which there should be a free exportation of wheat was enlarged by the elevation of the terminating price to 10s. the quarter ; a corresponding alteration being at the same time made for other descriptions of grain. In 1571 (by the 13 Eliz. c. 13) the law of 1562 was restored, and exportation was made free, whatever might be the home price, at all times when no proclamation had been issued to the contrary. Then by a succession of acts the limits within which the right of exportation was made absolute, and independent even of the control of the royal prerogative, were gradually extended, by the elevation of the terminating price in 1623 (by the 21 Jac. I. c. 28) to 32s. ; in 1660 (by the 12 Car. II. c. 4) to 40s. ; and in 1663 (by the 15 Car. II. c. 7) to 48s. Up to this point, however, although the landed interest had been successful in breaking down to a considerable extent the ancient policy of the kingdom, which was prohibitory of exportation in all circumstances, it cannot be said (if we except the law of 1463 forbidding importation while the home price was under 6s. 8d., which had now long ceased to be operative, if it ever had been so) that any unfair advantage had been given to the growers of corn ; all that had been done in their favour had only tended to make the trade in corn more and more free, by removing part of the restrictions that had been laid upon the export of the commodity. But soon after this a new system was begun.

In 1670 (by the 22 Car. II. c. 18) not only was the home price up to which exportation should be free raised to 53*s.* 4*d.*, but for the first time (for we may disregard altogether the obsolete act of 1463) importation was restrained, by being loaded with a prohibitory amount of duty so long as the price in the home-market was under 53*s.* 4*d.*, and even with a very heavy duty, 8*s.* per quarter, when the home price reached that point and until it rose to 80*s.* This was the law in force at the time of the Revolution. Corn could not be brought from abroad at all till the price at home rose to 53*s.* 4*d.*, and even not then without the payment of a tax which made it necessary that the cost of purchase and charge of conveyance should not together have amounted to so much as 45*s.* 4*d.*; and at the same time its exportation was perfectly free (except that it paid a moderate custom duty, like all other commodities) until it rose at home to a price which it might be safely presumed would make the sending it abroad no longer profitable. This, we might suppose, would have been deemed protection for agriculture enough. But not so; immediately after the Revolution an act was passed (the 1 Will. and Mary, c. 12) which introduced the new principle of actually paying the landlords for sending their produce out of the country, by allowing a bounty of 5*s.* upon every quarter of wheat exported so long as the home price did not exceed 48*s.* Nor was even this all that was done to promote exportation; in 1699 (by the 11 Will. III. c. 20), "for the greater encouragement of tillage," corn sent abroad was relieved even from all custom-house duties. It was time, indeed, to cease levying duties with the one hand upon that which we were paying bounties to encourage on the other.

Under the system of bounties, which was maintained throughout the present period and long after its close (for it was not till the year 1773 that the law of 1689 was partially, and not till 1815 that it was wholly, repealed), England became a corn-exporting country to some, though never to any very considerable, extent. In 1697, for instance, 14,699 quarters of wheat and flour were sent abroad; in 1699 the quantity fell to 557; but in 1700 it

was 49,056 ; and in the ten following years, while it rose in 1706 to 188,332, it never was under 74,000, till 1710, when it fell to 13,924. In the ten years from 1711 to 1720 it ranged from 71,800 quarters to 176,227, except in 1717, when it was only 22,954. In 1722 it was 178,880 ; in 1723, 157,720 ; in 1724, 245,865 ; and in 1725, 204,413. But in 1727 it had fallen to 30,315 ; and in 1728 to 3,817 ; nor in 1729 was it more than 18,993. After this, with the exception of a few unproductive years (1740, 1741, 1757, and 1758), in which it was very insignificant, it was seldom less than from 200,000 to 400,000, and sometimes it was considerably more : thus, in 1733 it was 427,199 : in 1734, 498,196 ; in 1737, 461,602 ; in 1738, 580,596 ; in 1748, 543,387 ; in 1749, 629,049 ; in 1750, 947,602 (which was the highest amount it ever reached) ; and in 1751, 661,416. It has often been contended, and formerly it was an opinion almost universally held, that, by the extension of tillage which it occasioned, the system of bounties upon the exportation of corn in fact operated to keep down the price of the commodity in the home-market. "In other states," observes the Count de Boulainvilliers, "private persons pay the government for the exportation of grain ; England acts quite otherwise, and pays them. All common means made use of to that time to increase the fruits of the earth had been insufficient, or at least of little use. Before that epoch the agriculture of England was of little account in Europe. As long as that monarchy thought only of its own subsistence, it always found itself short of the necessary ; it was very often obliged to have recourse to foreigners to make up the deficiency of the growth of the nation ; but, when it made its agriculture an object of commerce, the cultivation of its land became one of the most abundant in Europe. Without that stroke of state, the best concerted of all those which have yet appeared in modern politics, England had never sown but for herself ; for what could she have done with the surplus of her grain ? It was the *bounty* only which could assure her of the sale in foreign markets, and, for that reason, be the only source of the

augmentation of her harvests. Let us combine all the means which that monarchy hath put in use, for an age past, to establish its power, and we shall find that it is to this in particular that she is indebted for her elevation.”* In later times this reasoning has generally been considered to be as mistaken as it is paradoxical, and the effects which it attributes to the bounty system have been traced to quite other causes; but it is at least certain that, howsoever caused, a reduction rather than a rise of the price of corn did follow this artificial encouragement given to its exportation. Grain was in general, according to Charles Smith, from fifteen to twenty per cent. cheaper during the seventy years that followed the enactment of the law of 1689 than it had been for forty years before that time.† For some years after the Restoration the average price of wheat exceeded 50s. the quarter; nor was it under 41s. at the date of the Revolution: for the ten years ending with 1695 it appears to have been about 39s. 6d.; for the ten ending 1705, about 43s.; for the ten ending 1715, about 44s.; for the twenty ending 1735, about 35s.; for the ten ending 1745, about 32s.; and for the ten ending 1755, about 33s.

According to an account given by Davenant, the official value of our entire exports for the year 1699 was 6,788,166*l.*; of which sum the woollen manufacture alone furnished not less than 2,932,292*l.*, or considerably nearer one-half than one-third.‡ Elsewhere the same writer estimates our total exports to France in that year at 103,961*l.*; in 1700 at 287,049*l.*; and in 1701 at 213,004*l.*: the values of the imports from that country being 76,272*l.* for 1699; 94,641*l.* for 1700; and 123,940*l.* for 1701.§ The only articles he particularizes are, among the exports, woollen goods and lead; among the imports,

* *Les Intérêts de la France mal entendus*; 2 tom. 12mo. Amst. 1757; quoted in Mr. C. Smith’s *Tracts on the Corn Laws*, p. 162.

† *Tracts on the Corn Laws*, p. 73 (second edition).

‡ *Second Report to Commissioners of Public Accounts, Works*, v. 460.

§ *First Report, Works*, v. 356.

linen, paper, wine, brandy, and kid-skins. On the whole it appears that the trade with France was considerably less now than it had been in the time of free intercourse which immediately succeeded the Restoration. The trade with Holland, on the other hand, had greatly increased. Up to the year 1669, according to Davenant, our exports to that country consisted of only 45 species of rated goods, whereas by the beginning of the reign of Anne we exported thither 120 or 130 different kinds. Formerly our principal exports to Holland were woollen goods, tin, lead, brass, molasses, wrought silk, butter, and mornkins (hides); our principal importations thence, linens, wrought silk, thrown silk, threads, inkle, spicery, madder, battery, stock-fish, whale-fins, hemp, flax, unwrought copper, Rhenish wine, safflower, and iron ware. Of our woollens exported to Holland, the value in 1669 was 79,953*l.*; in 1703, 1,239,526*l.*: of our lead, 297*l.* in 1669; 38,283*l.* in 1703: of our tin, 1,636*l.* in 1669; 17,051*l.* in 1703. Altogether the value of our exports of the eight principal articles was 153,799*l.* in the former year, and 1,404,920*l.* in the latter. Of molasses, however, of which we exported thither to the value of 57,510*l.* in 1669, there appears to have been no exportation at all to Holland in 1703. On the other hand, many foreign, colonial, and East India goods entered into our exports in the latter year, which either formed no part of them, or a much smaller part, in the former. Of sugar and foreign fruits, we re-exported to Holland in 1703 to the value of 114,416*l.*; of pepper, drugs, and dyeing-substances to the value of 68,865*l.*; of tobacco to that of 143,596*l.*; of foreign wool to that of 7,806*l.*; and of cotton yarn to that of 1,782*l.* The East India goods re-exported to Holland this year amounted in value to 345,647*l.* We also now sent a considerable quantity of corn to the Dutch, a commodity of which in 1669 none was exported. Davenant says that in the year 1703 there was entered for exportation in all sorts of grain to the value of 12,202*l.* from London, and of 168,967*l.* from the outports; making altogether 180,269*l.*: but this appears to have been to all foreign parts. The im-

ports, however, from Holland in these two years do not exhibit so great a difference : their total amount in 1669* was 501,674*l.*; and in 1703, 522,413*l.* The principal articles of which there appears to have been an increase of importation are linen (from 170,972*l.* to 213,701*l.*), thrown silk (from 2,878*l.* to 15,966*l.*), and threads (from 11,694*l.* to 51,138*l.*) : on the other hand there was a falling off in wrought silk, spicery, Rhenish wine, and several other articles. In the seven years from 1699 to 1705 inclusive, the average value of our exports to Holland is stated to have been 1,937,934*l.*, and that of our imports from that country, 549,832*l.* The latter, Davenant remarks, had "continued for several years in a manner at a stand, seldom exceeding half a million per annum." If we add the outports, which the account does not include, that sum might be increased by about a fourth. Our exports to Holland, on the other hand, had been constantly augmenting, their excess over the imports having, in some of the seven years, been not less than 1,500,000*l.* But, whether or no this seeming overbalance in trade with the Dutch had been all to the profit of this kingdom, Davenant, with a degree of good sense and sagacity superior to his time, is inclined to doubt. "If," he continues, "according to the vulgar notion, this large overbalance had been all clear gain to England, it would have been some kind of recompense for the interruptions so long a war has brought to other branches of our foreign traffic ; but nothing can be more fallacious than, because a country takes off more of our commodities than we do of theirs, to argue from thence that our dealings with that country are always beneficial to us. . . If, for the last twenty-three years, the Dutch had so far augmented their luxuries as to want for their own consumption that vast bulk of commodities they have so constantly fetched from this kingdom, and if we had been all along so reformed in our manners as to stand in little need of foreign goods, Holland must have been great losers, and we great gainers, by the

* Davenant. First Report, p. 413, where it is printed 1699; a misprint that also occurs in other places.

dealings that have been between us. If they had not found their accounts in the prodigious quantity of effects annually exported thither from hence, and if so wise a state had perceived itself to carry on a losing trade, they would have put a stop to this mischief, either by prohibitions of, or high duties upon, our product and manufacture, for which they had a sufficient pretence from the additional impositions we have been compelled to lay upon their linens and other goods ; but they have been too prudent to be frightened with the false appearance of an overbalance, well knowing, the more they brought from hence, the better opportunities they had to enlarge their general traffics." He then proceeds, by an examination of details, to show that the greater part of the commodities taken from us by the Dutch were in reality re-exported by them to other countries. In the course of this investigation he notices various facts which throw a light upon the then state both of our own commerce and of that of the world. The total value of our exports of woollen manufactures to Holland, which in 1703, as we have seen, was 1,339,526*l.*, was in 1663 only 79,953*l.* Of three articles alone, perpetuanas, serges, and stuffs, we sent the Dutch in 1703 to the value of 798,527*l.*, or ten times the amount of our whole exportation of woollens to them forty years before. That people cannot possibly, argues Davenant, have within the period in question so increased in numbers, wealth, and luxury, as to want for their own consumption so great a quantity of these articles over and above what they were wont to call for. "The fact is," he continues, "that they purchase those immense cargoes to re-export to other countries, and so they are become, in a more extended degree than heretofore, the carriers of our commodities to foreign markets ; that is to say, they supply those parts which we, for want of industry, have not embraced, or where our traffic has been interrupted by the war. It is easy to prove that for the last twenty years* great parcels of our fine draperies, and other woollen manufactures, went into France through Flanders by the connivance of governors,

* He is writing in 1712.

and by compositions with the French farmers,* to the value (as I am well informed, when in Holland about six years since) of near 300,000*l.* per annum. Since the trade with the Spaniards has been interrupted, they must have carried of the same goods great quantities to Portugal ; otherwise, how could they dispose of all the baize sent from hence to Holland, which article of baize, from 1699 to 1704, amounts to, at a medium of the said five years, 92,526*l.* per annum—a larger proportion than they can possibly be conceived to consume themselves ; and from Portugal it must have found its way to Spain and the West Indies. The same may be said of perpetuanas, serges, says, and other stuffs ; as also of stockings, woollen and worsted, for men, women, and children. During both the wars, not only the fine draperies, but manufactures from the long wool, got into France from the frontier places, which turned to the profit of Holland ; and of late years, since they have so much enlarged their traffics, and accumulated such a stock of wealth to support their trade, they have carried up the rivers into Germany great parcels of fine cloths, stuffs, says, and serges, which our merchants were wont formerly to export to Hamburgh and other parts of the German empire upon their own accounts.” So likewise with regard to the tin taken from us by the Dutch. Our export of tin to all foreign countries amounted in 1663 to 153 tons ; in 1669 to 240 ; in the three years of peace, from 1698 to 1700, on an average, to 1297 ; and in the ten years of war, from 1700 to 1710, on an average, to 1094. In these last ten years the Dutch alone bought from us annually, on an average, 5937 cwt., or nearly 300 tons, of the estimated value of 21,374*l.* “ It is not difficult,” says Davenant, “ to account for the reasons why our late exportations of tin so far exceed those of former times. All our neighbours, as well as ourselves, have increased in the luxurious ways of living ; such who heretofore were content with pewter are now served in plate, and such as made use of trenchers, wooden platters, and earthenware will now have pewter ; all which is visible

* Of customs.

within forty years, and has occasioned this great call of a commodity almost peculiar to us." The quantity of tin raised from the mines, however, was still greater than the demands of the home-market and of foreign countries together took off our hands : at the time when Davenant wrote, her majesty, for whose behoof the mines were wrought, had unsold between 4000 and 5000 tons, or as much as would supply the consumption of the next four or five years. " As the case stands at present," he adds, " Holland is the great magazine for tin ; the necessities of such as have it upon their hands, either in merchandize or security, drive it thither, and the Dutch set what price they please upon this rich product of England, to the damage of the public." He proposes that a thousand tons of the dead stock should be coined into tin halfpence and farthings. The annual quantity of tin that was raised in England, however, went on increasing from this time instead of being diminished :—the quantity which had accumulated in Davenant's time is only about a year's produce of the mines at present. He next proceeds to our exports of corn. This, he observes, " is, in a manner, a new exportation, arising to us from the war, which has in other countries so employed the hands of their people that they could not till the ground, or from dearths or plagues, wherewith divers nations have been afflicted for these last twenty-three years." Formerly, only a very small quantity of grain was sent from the port of London to Holland, Spain, Denmark, Africa, the Plantations, Italy, and Portugal : in 1663 the entire estimated value of the corn so exported was only 4315*l.*, and in 1699 not more than 2011*l.* " Whereas now," continues our author, " we export grain of all sorts to Africa, Canaries, Denmark and Norway, East Country, Flanders, France, Germany, Holland, Ireland, Italy, Madeiras, Newfoundland, Portugal, Russia, Scotland, Spain, Sweden, Venice, Isles of Guernsey, &c., and English Plantations." In the eleven years from 1700 to 1710, inclusive, the average total export of grain from *England* was of the estimated value of 274,171*l.*; of which the value of that entered for exportation to Hol-

land alone averaged 151,934*l.* "What part of this commodity," says Davenant, "is for their own consumption, and what part they re-export to other countries, does not appear to me; but so far is certain—when corn bears a high price in foreign markets they send large cargoes of it to the places where it finds a good vent; and it has been known that in years of scarcity they bring us back our own wheat, because of the premium we give upon exportation, and which they are enabled to do by having large granaries almost in every great town, wherein they store large quantities in cheap years, to answer the demands of other countries." Of tobacco, our average annual importation from Virginia, for the ten years from 1700 to 1709 inclusive, had been 28,858,666 lbs.; and we had annually re-exported to foreign countries 17,598,007 lbs., of which quantity Holland alone took from us 7,851,157 lbs., or not much less than the half. "This product of our plantations," Davenant observes, "carried to Holland, brings considerable profit to that country; besides that the manufacturing of it, when there, employs a great number of their people. What proportion of it they consume themselves cannot well be stated; but so far is known, that they mix it with the tobacco of their own growth, viz., for France, one-third inland and two-thirds Virginia; making it finer or coarser, and adding to or diminishing the quantity of Virginia, and making some up only with our tobacco-stalks mixed with their own leaves, according to the use of the country whereunto they export it." According to an account which he had seen, and which he believed to be authentic, the Dutch had come by the year 1706 to grow at home, in their three provinces of Utrecht, Guelderland, Overyssel, and part of the duchy of Cleves, 13,000,000 lbs. of tobacco, although seven years before they did not raise more than 8,000,000 lbs. It appears from this account that, in the beginning of the last century, the consumption of tobacco in England exceeded 11,000,000 lbs.; at present, with probably thrice the population, it is only about 16,000,000 lbs. *Nor is our entire annual importation of tobacco much*

more than it was then : in 1831, for instance, it was only about \$5,000,000 lbs. The last class of our exports to Holland which Davenant examines is that of our East India goods. He begins by observing, that Amsterdam and Rotterdam were then in a manner the magazines for the wrought silk, Bengal stuffs mixed with silk or herbs of the manufacture of Persia, China, or East India, and for all calicoes painted, dyed, printed, or stained in those parts : which commodities, since their use had been prohibited here,* were chiefly sent to Holland, that country taking off, on the average of the four years from 1702 to 1705 inclusive, above 94,916*l.* worth of them annually. He apprehends that the Dutch in this way drew into their pockets the greater part of the profits of our East India trade ; and that such would continue to be the case so long as our own merchants were, by the law preventing the home consumption of the commodities in question, confined to that one foreign market. As for the supposed interference of these India fabrics with our woollen manufactures abroad, he does not think there is much or anything in that objection. "For these last thirty years," he observes, "in which the East India trade has been carried on to the highest pitch, we are not decreased in the manufactures from long wool, but rather the contrary, and to a large degree. . . . Nor does it appear to me, from any observation I can make, that East India goods have hurt the general traffic of our woollen manufactures in foreign markets ; these silks and stuffs seem rather a commodity calculated for the middle rank of people ; they are too vulgar to be worn by the best sort, and too costly for the lowest rank ; so that the use of them remains in the middle rank, who (the luxuries of the world still increasing) would wear European silks if they had not East India stuffs and painted calicoes, whereby the vent of our woollen goods abroad would

* These East India goods were prohibited in England, and only allowed to be imported for re-exportation, in 1699, by the 11 Will. III. c. 10, entitled "An Act for the more effectual employing the poor, by encouraging the manufacturers of this kingdom."

certainly be lessened." "On the whole," Davenant concludes, "the truth of the case appears to be, that, especially during this last war (while our trade with France and Spain has been interrupted), large quantities of the woollen manufactures, corn, tin, tobacco, with divers other commodities, have been sent to Holland, which goods in the former course of trade we exported directly ourselves, and mostly in our own shipping, to the increase of our navigation, which the war having rendered difficult, and their ports being less exposed than ours to the danger of privateers, as well in ships outward as homeward bound, the Hollander's have in a great measure got to be the carriers of our goods; but, as our exports thither have increased all along, so our exports to other parts must, in proportion, have diminished, and what we seem to have gained in our dealings there we have lost in the general balance of our trade with other countries." Taking the year 1703, it appears that the value of our exports to all foreign parts was 6,644,108*l.*, while that of our exports to Holland alone was 2,417,890*l.*, or more than a third of the whole. Of the 2,417,890*l.* there was exported in English bottoms 1,502,169*l.*, and in foreign bottoms 915,720*l.* Of the imports from Holland for that year, to the value of 289,844*l.* was brought in English, and 232,568*l.* in foreign vessels. And these same proportions Davenant believes would nearly hold for other years. We may hence perceive the extent to which the carrying trade, both in goods for the English market and in English produce and manufactures, was at this time in the hands of foreigners, and principally of the Dutch.

As for the prevalent notion which Davenant takes so much pains to combat, that this trade with Holland must needs be a profitable one, simply because our exports so much exceeded our imports, it was as irrational as it would be to maintain that the productive labourer must always be a greater gainer upon the article he produces than the capitalist who employs him. The Dutch here stood in the position of the capitalist, and the English of the labourer. The former, in fact, employed the latter

to work for them—to produce the goods which they sold at a profit to other countries. Of course, in such a connexion, while the Dutch had the goods the English had the money—just as while the master has his goods the workman has his wages ; and thus, and thus alone, was brought about, in the exchange between the two countries, that excess in our receipt of money or bullion constituting the so called favourable balance of the mercantile and manufacturing theories. But that the excess of profit or real advantage should be with the labourer rather than with the capitalist may fairly be presumed to be as unusual, and as little likely in the nature of things, in the case of nations as of individuals.

Davenant incidentally mentions in the Report from which we have abstracted these notices, that, on an average of the seven years from 1699 to 1705 inclusive, our exports to Germany had amounted to the estimated value of 838,591*l.*, and our imports thence to that of 677,721*l.** This, he observes, “is no considerable excess from so large and populous a country, especially when it is considered what quantities of German linens have been imported hither since the first war with France, which German linens must have been answered by an adequate quantity of our woollen manufactures, if the Dutch did not intercept us in the traffic by our own commodities.” Such as it was, however, this excess of exports over imports made our trade with Germany be considered a profitable one, as well as that with Holland. In our dealings with the countries in the north of Europe, on the contrary, as in those with France, we were losers according to this way of calculating, if we may trust an account from which it appears that in the trade with Denmark and Norway, on the average of the four years from 1698 to 1701 inclusive, our annual imports amounted to 76,215*l.*, and our exports only to 39,543*l.*; in that with the East country our imports to 181,296*l.*, and our exports only to 149,893*l.*; in that with Russia, our imports to 112,252*l.*, and our exports

* Second Report, p. 420.

only to 58,834*l.*; and in that with Sweden, our imports to 212,094*l.*, and our exports only to 57,555*l.** These figures may at any rate be taken as showing the extent of our commercial intercourse at this time with the countries in question.

Down to this, and indeed to a much later date, our chief article of produce and export continued, as of old, to be our woollens. This important manufacture was the subject of various legislative regulations in the reign of William. Immediately after the Revolution an act was passed, renewing and strengthening the former laws against the exportation of the raw material, which, the preamble alleges, had of late years been extensively violated, "through the remissness and negligence of officers and others."[†] In 1698, however, we find the parliament again complaining that, nevertheless, "the sending of the commodity abroad was still "notoriously continued, to the great prejudice and discouragement of the woollen trade and manufacture of England."[‡] The next year the jealousy with which this great staple was watched over was strikingly evinced by the passing of an act which, after declaring that "the wool and the woollen manufactures of cloth, serge, baise, kerseys, and other stuffs made or mixed with wool, are the greatest and most profitable commodities of this kingdom, on which the value of lands and the trade of the nation do chiefly depend," proceeds to state, that "great quantities of the like manufactures have of late been made and are daily increasing in the kingdom of Ireland and in the English plantations in America, and are exported from thence to foreign markets heretofore supplied from England, which will inevitably sink the value of lands, and tend to the ruin of the trade and the woollen manufactures of this realm;" and thereupon strictly prohibits the exports in future both of wool and of woollen goods to any part of the world except to England, from either

* Quoted by Anderson, Chron. of Com. iii. 11, from the monthly periodical called the Political State of Great Britain, for November, 1721.

[†] I W. and M. c. 32.

[‡] 9. Will. III. c. 40.

Ireland or the plantations.* Finally, in the following session, by the same act which put an end to all duties on the exportation of corn, all subsisting duties upon the exportation of home woollen manufactures were also taken off, on the ground that "the wealth and prosperity of this kingdom doth in a great measure depend upon the improvement of its woollen manufactures, and the profitable trade carried on by the exportation of the same."† The system of artificial protection, however, was not in this case carried to the length of actually stimulating the exportation of either wool or woollens by bounties, as had been done with regard to corn.

In 1697 Davenant estimated the value of the wool yearly shorn in England at about 2,000,000*l.*‡ At a general medium he conceives the material to be probably improved about fourfold in the working; so that the entire annual value of our woollen manufactures at this time might be set down at about 8,000,000*l.* Of all the cloth made he allows a fourth for exportation; there would, therefore, remain for home consumption about 6,000,000*l.* worth. These inferences, however, are probably considerable exaggerations. More reliance may perhaps be placed upon an account which he says he had procured "from a very skilful hand," and from which it would appear that the quantity of fine cloth manufactured in England from Spanish wool in the year 1688 was about 19,000 pieces, of which about 9000 were exported (8420 from the port of London, 614 from the outports), and 10,000 reserved for home consumption.§ "Some

* 10 Will. III. c. 16 (c. 10 in common editions).

† 11 Will. III. c. 20.

‡ Discourse on the East India Trade, Works, ii. 146. His calculation is, that there were annually shorn about twelve millions of fleeces, of the average value of 3*s.* 4*d.* per fleece, somewhat above eight fleeces making a tod of wool, the average price of which was 28*s.*, or 1*s.* a pound. Gregory King, in his Political Conclusions (1696), estimates the value of the wool yearly shorn at the same sum with Davenant.

§ Works, ii. 149.

people," this writer elsewhere observes, " have been apt to fear that we sink in the woollen manufacture, because the accounts of the draperies exported have been heretofore larger than of late years ; but such do not contemplate that, though the old may have lessened, what are commonly called the new draperies have increased, consisting in bays, serges, and stuffs ; so that, upon the whole, infinitely more of the material of wool has of late years been wrought up for foreign use than in former times ; and herein our merchants have been only forced to follow the modes and humour of those people with whom they deal, and the course they have pursued has hitherto not been detrimental to the public. Nor is there any cause to apprehend but that we may increase from time to time in the general manufacture of wool, though the exportation of particular commodities may now and then vary ; for, upon the whole, our material is better and fitter for all uses than that of most countries. It were better, indeed, that the call from abroad were only for the fine draperies, because then we should be in a manner without a rival ; no country but England and Ireland having a sward or turf that will rear sheep producing the wool of which most of our draperies are made. It is true the wool of Spain is fine above all others ; but it is the wear only of the richer sort, and of Spanish cloths not above 9000 pieces are sent abroad *communibus annis* ; and even in the working up of this wool perhaps it may be made out that our very climate gives us an advantage over other countries."* This was written in 1699. The act allowing woollen goods to be exported duty free came into operation the following year, and apparently produced a considerable increase of exportation ; the duty received in the three years before the repeal having amounted to 129,640*l.*, and that which would have been payable upon the quantities of woollen manufactures entered for exportation in the three following years to 150,829*l.*,—a difference which, as the duty was an *ad valorem* one of five per cent., implied an increase

* *Essay upon the Probable Methods of making a people gainers in the Balance of Trade* ; in Works, ii. 235.

of exports upon the three years to the value of 425,040*l.*, or of about 142,000*l.* per annum. But Davenant maintains that, "to carry on some mystery of trade," the merchants, now that it cost them nothing, were accustomed to enter larger quantities than they really exported, especially of the perpetuanas, serges, and other coarser descriptions of cloth. By the books of the Custom House, he says, the exportation of woollens would appear to be growing every year larger and larger, while at the same time there was a general complaint all over England of wool being a drug.*

The amount of the trade of England, in so far as it gave employment to our own shipping, whether for intercourse with foreign parts or for coasting purposes, and also its distribution over the country, at the end of the reign of King William, may be collected from an account of the mercantile marine of the kingdom as it existed in January, 1702, which has been drawn up from returns then made to inquiries instituted by the Commissioners of the Customs. From this account it appears that there belonged to the port of London 560 vessels, of the average burden of about 151 tons, and 10,065 men; to Bristol 165 vessels, of 105 tons on an average, and 2,359 men; to Yarmouth 143 vessels, of 62 tons on an average, and 668 men; to Exeter 121 vessels, of the burden of 58 or 59 tons on an average, and 978 men; to Hull 115 vessels, of nearly 66 tons on an average, and 187 men (80 of the Hull vessels were at this time laid up); to Whitby 110 vessels, of 75 tons on an average, and 571 men; to Liverpool 102 vessels, of between 84 and 85 tons on an average, and 1,101 men; and to Scarborough 100 vessels, of nearly 69 tons on an average, and 606 men. None of the other ports had so many as a hundred vessels; but Newcastle had 63, measuring in all 11,000 tons, or above 173 tons on an average, and Ipswich 39, measuring 11,170 tons in all, or above 286 tons on an average. The number of vessels belonging to all the ports in England was 3281, measuring 261,222 tons, or nearly 80 tons on an average; and the total number of seamen

* Second Report on Public Accounts, in Works, v. 445.

27,196. The vessels carried among them 5660 guns.* According to the account laid before the House of Commons by the Navy Office in 1791 which we have referred to on former occasions, the royal navy at the end of William's reign was of the estimated burden of 159,017 tons. A statement given on the authority of Pepys, the author of the Diary, who had been Secretary to the Admiralty in the reigns of Charles II. and James II., makes the number of ships, of fifty tons and upwards, forming the royal navy in 1695, to have been above 200, measuring in all above 112,400 tons, and manned by 45,000 sailors.† The entire number of seamen, therefore, which the kingdom could furnish at this time was probably above seventy thousand. It was in 1696, we may here mention, that the noble institution of Greenwich Hospital was founded for aged and disabled sailors (though not opened till 1705) by an act of parliament, which at the same time established a registry in which mariners, seamen, watermen, fishermen, lightermen, bargemen, keelmen, and other seafaring persons, between the ages of eighteen and fifty, were invited to enrol their names and places of residence, to the number of 80,000, on which they were to receive a bounty or retaining fee of 40*s.* annually, on condition of holding themselves at all times in readiness to man the royal navy.‡ This registry, however, which aimed at furnishing a substitute for impressment, was discontinued in 1710, on the alleged ground that it had not produced the good effects

* Note in Macpherson's Annals of Commerce, ii. 719. Macpherson, who does not quote his authority for this account, expresses a doubt as to the correctness of the figures in the case of the tonnage assigned to the Ipswich vessels. Chalmers, in Estimate, pp. 87, 88, refers evidently to the same account, as "A detail in the Plantation Office," although he assigns it to the year 1701, instead of 1702, and gives (apparently by a typographical error) the number of sailors as only 16,591.

† Given in Gibson's Translation of Camden's Britannia, 2nd edit. i. 234.

‡ 7 and 8 Will. III. c. 21.

intended for the service of the crown, or the encouragement of seamen, but, on the contrary, had occasioned much charge, vexation, and trouble.* In this same year, 1696, the first light-house was begun to be erected on the Eddystone rock, off Plymouth, by Winstanley, at the expense of the corporation of the Trinity House. It was not, however, completed till the year 1700, and it was blown down on the 26th of November, 1703, when Winstanley himself, happening to be at the rock superintending some repairs, perished with all his workmen. A new light-house, entirely of wood (Winstanley's had been partly of stone), was some years after erected by Rudyerd, which stood till it was burned down in 1755, when it was succeeded by the present admirable stone structure, the work of the late Mr. Smeaton.

On the whole the reign of William, notwithstanding the pressure of the war which extended over the greater part of it, certainly did not by any means either reverse or interrupt the progress the country was previously making in economical prosperity, although it may have somewhat slackened the rate of its advance. It may be asserted, in the words of a late writer, "that manufactures flourished in the mean time; that there was a great demand for labour; that the foreign traffic and navigation of England doubled from the peace of Ryswick to the accession of Queen Anne. For the re-coining of the silver, meantime, produced an exhilarating effect on industry, in the same proportion as the debasement of the current coin is always disadvantageous to the lower orders, and dishonourable to the state. The revival of public credit after the peace of Ryswick, and the rising of the notes of the Bank of England to par, strengthened private confidence, at the same time that these causes invigorated our manufactures and our trade. And the spirit of population was still more animated by the many acts of naturalisation which were readily passed, during every session, in the reign of William, and which clearly evince how many industrious foreigners found shelter in England

* 9 Anne, c. 15 (21 in common editions).

from the persecution of countries less tolerant and free."* The national industry and enterprise, indeed, could not fail to receive new animation and vigour, in all their departments, from the increased security of person and property which the Revolution brought with it to every inhabitant of the kingdom, and from the very spirit of freedom that might now be said to vivify and enrich the air of England.

A still larger proportionate as well as actual part of the reign of Anne than of that of William was spent in war, and, both from the greater extent to which military operations were carried on, and from the accumulation of the debt, the public burthens were now considerably increased; but, notwithstanding the cry which was as usual kept up by faction about the continued decay of the national resources, well established facts sufficiently prove that, even during the course of this second war with France, the country, as soon as it had rallied from the first effects of the shock that again broke up and threw into confusion the relations to which it had begun to accommodate itself during the short previous interval of peace, rather made way than fell off in commercial and general prosperity, and that after the war was over its unfettered energies carried it forward at a rate such as it had perhaps never before experienced. It appears that the estimated value of our exports had been reduced by the year 1705 to 5,308,966*l.*; but from this point of greatest depression our foreign trade gradually so far recovered, that in 1709 the value of our exports to all countries had risen to 5,913,357*l.*; in 1711 to 5,962,988*l.*; and in 1712, when indeed hostilities had nearly ceased except in name, to 6,868,840*l.* In 1713, 1714, and 1715, the three years that immediately followed the war, their average amount was 7,696,573*l.*—which was nearly a million sterling beyond their amount during the preceding peace. In another respect our foreign trade had now become more advantageous than it then had been: the total tonnage of the ships annually cleared outwards on the average of the years 1699, 1700, and 1701 had been

* Chalmers, Estimate, p. 81.

337,328 tons, and in the years 1713, 1714, and 1715, its average amount was 448,004 tons ; but the portion of it that was foreign at the former period was 43,625 tons, whereas now that was only 26,573 tons—so that the native shipping employed in our foreign trade had increased in this interval from 293,703 to 421,431 tons, or by considerably more than a third.* The progress of the post-office revenue does not indeed afford an equally favourable indication ; but this we believe to be attributable to the great extent to which franking was now carried—an evidence of which we have in the fact that in the year 1722, when the net revenue of the post-office was only about 98,000*l.*, it was calculated that there was withdrawn from the gross revenue by franked letters no less a sum than 33,397*l.* The practice of franking is traced back to the Restoration ; but it was probably not extensively practised till after the Revolution ; from about which time, however, notwithstanding several attempts to regulate it and protect it from abuse, it appears to have been, in part by fraud and forgery, in part by merely the more liberal or unscrupulous use of the legal privilege, carried to a greater excess every year down to the close of the present period. In the first four years of the war, that is, from 1702 to 1705 inclusive, the nett average annual revenue of the post-office declined to 61,568*l.*—a falling off which it seems impossible to suppose could have been owing simply to the war. On the average of the four years from 1707 to 1710 inclusive it was still less, having fallen to 58,052*l.* ; nor did the augmentation of the rates one-third in 1711, and the restoration of peace together, raise it on the average of the four years ending with 1714 to a higher sum than 90,223*l.*, although the Scottish post-office, contributing about 2000*l.* a-year, was now incorporated with the English. It may be taken as an evidence of the growth of capital that the legal rate of interest was in 1714 reduced from six to five per cent., at which it still continues.

* Chalmers, pp. 89 and 90, apparently from Mr. Astle's transcript.

One of the most important events affecting our foreign trade that took place in the reign of Anne was the conclusion, in December, 1703, of the famous commercial arrangement with Portugal, commonly called the Methuen Treaty, after the ambassador by whom it was negotiated, by which, on condition of our admitting the wines of the growth of Portugal on payment of a duty one-third less than was paid upon French wines, his Portuguese majesty agreed to admit our woollen cloths on the same terms as before they were prohibited, which they appear to have been for about twenty years. This treaty, which continued to be maintained till the year 1831, was, in great part, no doubt, owing to the anti-Gallic temper which prevailed in the public mind, generally regarded at the time as one of the greatest advantages ever secured for our trade and manufactures, and it long continued to be the theme of boundless laudation with all our writers on subjects of commerce and political economy who aspired to the reputation of either orthodoxy or patriotism. As a specimen of the style in which it was wont to be spoken of, and of the beneficial effects that were attributed to it, the reader may take the following passage from Mr. Charles King's Dedication of the collection of papers entitled 'The 'British Merchant' to the son of Methuen :— “Your father, often ambassador extraordinary to the King of Portugal, procured for Great Britain that glorious treaty of commerce, by which she gains above a million a-year. By this treaty we paid our armies in Spain and Portugal, and drew from thence in the late war considerable sums for our troops in other parts, without remitting one farthing from England ; and at the same time coined in the Tower above a million of Portugal gold in three years. By this treaty we gain a greater balance from Portugal only than from any other country whatsoever ; and at this time it is the only country from whence we have any balance worth the naming. By this treaty we have increased our exports thither from about three hundred thousand pounds a-year to near a million and a half.” One of the writers in the *British Merchant* declares that Mr. Methuen deserved to have his statue set

up in every trading town in the island.* In the same spirit Anderson, the industrious and generally sensible historian of our commerce, earnestly expresses his hope that "this most just and beneficial convention," as it had remained unviolated to his day, may continue so for ever. But the Methuen Treaty is now looked back upon by most thinking persons as having been, if not at the moment when it was contracted, at least during the greater part of the time it was allowed to remain in force, an entanglement on the whole very prejudicial in its effects both commercially and politically. If it gained us the market of Portugal for our woollens, it excluded us from the vastly more wealthy and extensive market of France. In forcing upon us the wines of Portugal, it deprived us of those of France, although such used to be the preference given by our national taste to the latter, that it has been doubted if a single pipe of port was ever brought into this country previous to the Restoration. So great, however, was the change of sentiment and fashion gradually wrought by the wars and other events that had occurred since then, and finally fixed and made permanent by this treaty, that we soon nearly ceased to import or drink French wines altogether, and the belief in the superiority of port came to be held as much part and parcel of the creed of every true-born and true-hearted Englishman as his belief in the eternal fitness of the corn-laws and the game-laws. An instance, as it has been remarked, perhaps the most remarkable in the history of commerce, of the course of trade and the taste and habits of a people being altered by a mere custom-house regulation! Worst of all, this treaty, by rivetting in the manner it did our connexion with Portugal, and binding us both politically and commercially to that country, without question materially contributed to keep us from ever forming any really cordial or intimate alliance with France, even when there was no war between us. Sufficient evidence of this was given in what happened at the peace of *Utrecht*, in 1713, when the proposed commercial treaty with France, almost the only part of the arrangements

* *British Merchant*, iii. 51.

then made that was creditable to the English government and their negotiators, was prevented from taking effect mainly by the adverse interests and prejudices created by this previous treaty with Portugal. By the 8th and 9th articles of the Utrecht treaty it was stipulated, in substance, that the subjects of the two contracting powers should, as to all duties on merchandise, and all such things as related either to commerce or to any other right whatever, be placed in each other's dominions in the position enjoyed by the most favoured foreign nation ; and that, within two months after the English parliament should have repealed all laws prohibiting the importation of any French goods which were not prohibited before the year 1664, and enacted that no higher duties should be paid upon any goods or merchandizes brought from France than were paid upon articles of the like nature imported from any other European country, the French tariff made in 1664 should again come into operation in regard to imports from England, and all prohibitions that had since been issued against English produce and manufactures should be withdrawn or annulled. These propositions obviously went to do away with the Methuen Treaty ; and the clamour raised against them on that express ground was instant and general. It was upon this occasion that the paper called *The British Merchant* was established by Mr. Henry Martin (afterwards Inspector-General of Exports and Imports), assisted by Sir Theodore Jannsen, Sir Charles Cooke, Mr. James Milner, Mr. Nathaniel Torriano, and other eminent London merchants, in opposition to the *Mercator, or Commerce Retrieved*, a paper published thrice a-week, in defence of the French treaty and the government, by the celebrated Daniel Defoe. "As this author," says the somewhat unceremoniously expressed preface to the collected lucubrations of his antagonists, "had a knack of writing very plausibly, and they who employed him and furnished him with materials had the command of all the public papers in the Custom-house, he had it in his power to do a great deal of mischief, especially amongst such as were unskilled in trade, and at the same time very fond of French wines, which

it was then a great crime to be against. Several ingenious merchants, of long experience and well skilled in trade, joined together to contradict the impositions of this writer : they knew he had many heads, besides the advantages of public papers, to help him, and therefore thought this the most feasible way to confute him and set the state of our trade in a clear light." The paper they put out, they go on to state, was, in opposition to his title, called *The British Merchant, or Commerce Preserved*, and was published twice a-week. The discussion, it is admitted, was carried on in a somewhat loose and desultory way, and the facts bearing upon the question were stated without much method ; but the reason of this was, "that *Mercator*, whenever he was close set, always quitted the point he was upon, and trumped up something new." No doubt Defoe would give his opponents enough to do in attempting to cope with his activity and dexterity at fence and thrust. Their publication, however, they tell us, and the convincing arguments Sir Charles Cooke and others concerned in the work laid before both houses of parliament, in speeches pronounced at the bar, had the good effect of throwing out the pernicious bill of commerce ; and that although ministers had attempted to gain their point by a sort of stratagem, and, knowing that "French wine was a relishing liquor to English palates," had moved, in the first instance, to take off the duties from the article only for a couple of months—a motion which "was very accidentally, though very wisely, opposed as it was ready to pass, and dropt." The bill for rendering effectual the treaty of commerce was, after it had passed through the committee, lost on the motion that it should be engrossed—only 185 members in an otherwise very subservient House of Commons voting for the motion, and 194 against it. Among those, it seems, by whom the opposition to the treaty had been most zealously promoted, both within doors and without, were Charles Montague (who soon after was made Lord Halifax), and General (afterwards Lord) Stanhope, who became secretary of state in the reign of George I. "My Lord Halifax," says the preface before us, "was the support and the very

spirit of the paper called *The British Merchant*: he encouraged the gentlemen concerned to meet, heard and assisted their debates, and, being zealous above all things that the trade of Great Britain should flourish, he not only continued his influence and advice to the last, but, out of his usual and unbounded liberality, contributed very largely to this work; a considerable sum being raised to carry it on." Stanhope, again, was the person who, suddenly coming into the House of Commons when the vote was about to pass for taking off the duties on French wines for two months, got up a debate on the question, and prevailed upon the House to consent that, before it was carried, the merchants should be heard. The consequences, indeed, that were represented as certain to follow from the treaty were sufficiently alarming, and might well make the legislature pause. "I shall make it appear," says one of the writers in *The British Merchant*, "that, if the 8th and 9th articles of the treaty of commerce between France and us had been rendered effectual by a law, this very thing had been more ruinous to the British nation than if the city of London were to be laid in ashes. This city has been once burned to the ground, but the people were still in being. They were, notwithstanding this calamity, a constant mart for the product and manufactures of the country. But, if such a law as I have mentioned had passed, France would have gone on from that moment to exhaust the treasures of the kingdom. We should have presently lost our best markets both at home and abroad, our gentlemen must have felt a sudden and universal decay of their rents, and our common people must have either starved for want of work, come to the lands or the parish for subsistence, or have retired to foreign parts for bread." The controversy, this eloquent gentleman proceeds, was not party against party, Tory against Whig, protestant against papist, or churchman against dissenter; but nation against nation—the trade of Britain against the trade of France:—"The questions upon this bill are, whether France, after all her ill successes in the late war, be suffered during the present peace, under the colour of a commerce, to exhaust our

treasure, beggar our gentlemen, and starve our common people ; and whether the gentlemen of Britain, after all their glorious victories, ought at last to be contented to become hewers of wood and drawers of water to the nation they have so often beaten.”* In a subsequent part of the paper it is maintained, as used to be done by most reasoners on this side down to our own day, that by the treaty of commerce with Portugal we were absolutely bound to admit the wines of that country at a lower duty than those of France for ever, or at least so long as the Portuguese chose to admit our woollens at the then duty —a construction which the following express stipulation in the treaty itself sufficiently refutes :—“ But, if at any time this deduction or abatement of customs, which is to be made as aforesaid, shall in any manner be attempted and prejudiced, it shall be just and lawful for his sacred royal majesty of Portugal again to prohibit the woollen cloths and the rest of the British woollen manufactures.”

With all its extravagance upon some points, *The British Merchant* contains a good deal of information on the state of our commerce at the close of the reign of Anne, and most of its facts may probably be confided in, whatever may be thought of many of its inferences and reasonings. Notwithstanding all the methodising the original papers are stated to have received on their republication in a collected form, the three volumes of which the book consists are still a confused enough miscellany ; but we shall endeavour to select from the mass some of the particulars that seem most curious or otherwise worthy of notice.

In his preface the editor, enumerating the peculiar commercial advantages of Great Britain, states that in a list he had seen of the merchants in and about London, printed in the year 1677, they were 1786 in all : “ I know,” he adds, “ above 400 of them, who are all true merchants, that is, importers and exporters of goods, for no other are such. If the whole list, then, is true, as it probably is, and we add to these the merchants in Bristol, and other trading towns of Great Britain, Ireland, and

* *British Merchant*, i. 181.

our plantations, with those who are abroad in Turkey, Italy, Spain, Portugal, Holland, Germany, Russia, Norway, the Baltic, Africa, and the East Indies, I am of opinion we have, at least, two-thirds as many as all the rest of Europe put together, if not more." The account, at least, shows us the foreign countries in which English merchants were at this time resident.

The following passage on the comparative prices of labour and habits of the labouring classes in France and England is very interesting :—" The French did always outdo us in price of labour: their common people live upon roots, cabbage, and other herbage; four of their large provinces subsist entirely upon chestnuts; and the best of them eat bread made of barley, millet, Turkey and black corn; so that their wages used to be small in comparison with ours. But of late years, their crown pieces being made of the same value as ours, and raised from sixty to one hundred sols, and the manufacturers, servants, soldiers, day-labourers, and other working people earning no more sols or pence by the day than they did formerly, the price of labour is thereby so much lessened, that one may affirm for truth they have generally their work done for half the price we pay for ours. For, although provisions be as dear at Paris as they are at London, it is certain that in most of their provinces they are very cheap, and that they buy beef and mutton for half the price we pay for it here. But the price of meat and wheat doth little concern the poor manufacturers, as they generally drink nothing but water, and at best a sort of liquor they call *beuverage* (which is water passed through the husks of grapes after the wine is drawn off); they save a great deal upon that account; for it is well known that our people spend half of their money in drink. The army is a notorious instance how cheap the French can live; it enables their king to maintain 300,000 men with the same money we maintain 112,500; their pay being five sols a day (which is exactly threepence English), and our soldiers' pay is eightpence. However, they subsist upon that small allowance; and, if there be the same disproportion between our manufactures and theirs as there is

betwixt our soldiers and their soldiers as to pay, it is plain that the work in France is done for little more than a third part of what it is done for in England. And I am confident it is so in most of their manufactures, of which I could give many instances if it were needful; but let these two following at present suffice:—At Lyons, which, next to Paris, is the best city in France, they pay nine sols an ell for making of lustrings, which is little more than fivepence English money; and the price paid here for making lustrings is twelvepence an ell. In the paper manufacture abundance of people are employed for sorting of rags in the mills, who earn in France but two sols a day, which is less than five farthings of our money; and the price paid here for such work is fourpence a day.”* Elsewhere it is stated that the common annual subsistence of working people in country places in England, taking old and young together, is about 4*l.* per head: “I have not known,” says the writer, “anywhere in the country that a husband, his wife, and three or four children, have asked any relief from the parish, if the whole labour of such a family could procure 20*l.* per annum.”†

The sum of the doctrine of the writers of the work on the subject of foreign commerce is given in the following words:—“That trade which makes money flow in most plentifully upon us, enables our people to subsist themselves better by their labour, raises the value of our lands, and occasions our rent to be better paid, must always be reckoned the best trade; for these are the only rules by which it is possible to state and determine the value of any particular trade, or of the general trade of the whole nation.” Upon this principle it is affirmed, that we then carried on an advantageous trade with each of the following countries: 1. Portugal, from which kingdom, although we brought home wine, oil, and some other things for our own use and consumption, yet the greatest part of our returns were gold and silver: “so much, therefore, the Portuguese pay to the employment and subsistence of our people, and for the product of our lands; so much as this balance is in gold and silver they

* British Merchant, i. 7.

† Id. i. 237.

contribute to the prosperity and happiness of this nation." 2. Spain, our imports from which used to consist of wine, oil, wood, cochineal, indigo, fruit, iron, &c. Of these things a great part were used in the manufactured goods we exported, and to that extent they contributed to the employment of our people and the improvement of our lands. "But a very great part of our returns from Spain was money, for the overbalance of our manufactures sent thither; and this *undoubtedly* was so much added to the prosperity and happiness of this nation." 3. Italy, our exportations to which were made good to us by returns in oil, wine, thrown and raw silk, wrought silk, currants, paper, drugs, &c., and the rest in money. "This last," it is again observed, "is so much added to the happiness and prosperity of the nation; and so, indeed, are many of our other returns, since they are manufactured by our own people, and contribute so much to their maintenance." 4. Turkey, from which, indeed, it is admitted that we brought home little or no money, the full or very nearly the full value of our exports being paid in raw silk, grogram-yarn, cotton, wool, cotton-yarn, goats' hair, coffee, dyeing goods, drugs, &c. These, however, were all materials used in our manufactures, and things, therefore, which contributed to the employment and subsistence of our people. 5. Hamburg and other places in Germany, from which, although our returns were chiefly made in linen and linen-yarn, yet we also received a balance in money. 6. Holland, our exports to which "are," says the writer, "prodigious, whether we consider our woollen manufactures, the produce of our own country and our plantations, our East India, Turkey, and other goods." In return, we received from the Dutch some spices, linen, thread, paper, Rhenish wines, battery, madder, whale-fins, clapboard, wrought silks, &c.; but nearly three-fourths of the value of our exports were paid for in money, making, as has been already shown, what was called a balance in our favour of not much less than a million and a half sterling per annum. And many of the goods imported from Holland were also useful in our manufactures.*

* British Merchant, i. 22.

It is afterwards admitted, however, that every trade on which we paid a balance in gold or silver was not to be set down as " guilty of exhausting our treasure ;" on the principle that the goods we thus buy from a foreign country we may re-export, in whole or in part, for a greater sum of money than we paid for them. Thus, the following trades are also allowed to be profitable, or, at the least, not disadvantageous :—1. The East Country trade. " We buy," it is observed, " hemp, pitch, tar, and all sorts of naval stores from the East Country. Unless we did this, we could not fit out a single ship to sea. The goods we send to that country are by no means sufficient to even the account between us ; we are forced to pay the balance in gold and silver, and this, as I have heard, amounts to 200,000*l.* per annum. Shall we be said, then, to lose so great an annual sum by our East Country trade ? No, certainly ; for, not to insist upon the numberless people that are employed and subsisted by shipping and navigation, we gain much more by our shipping than the above-mentioned sums from other countries with which we trade ; and it is certain we could gain nothing this way if we had not first bought the naval stores." This may be true enough, but it is subversive of the whole doctrine of the mercantile and manufacturing theories : if we are to account the trade with a foreign country beneficial when, although there is an excess of imports over exports, and consequently a balance to be paid for in money, the imports are yet such as are necessary to enable us to carry on some other gainful branch or branches of commerce, then we might be said to trade profitably even with a country from which we imported nothing but food, to be consumed as fast as it arrived, and to which we exported nothing but the money to pay for that food ; for, assuredly, without the means of keeping ourselves alive, we could carry on no gainful trade or occupation whatever. And the same thing may be said of the purchase from abroad of any other article whether of necessity or convenience : if the article is one which we can procure at less cost in that way than by producing or manufacturing it at home we shall be gainers by so procuring it,

and leaving the labour that would have gone to furnish it free to be employed on something else (*if any such thing is to be found*) for the production of which we are more favourably situated, and which we either require ourselves or can dispose of profitably to some other country. Or even if the article we import be one of mere luxury, still, if we will have it, it is manifestly more economical, for the same reason, to pay money for it to a foreign country than to produce it at home by the expenditure of an amount of labour more than equivalent in value to that money, and which we could employ profitably in some other way. Our author goes on to argue, in regard to the advantages of the East Country trade, that, taking our shipping to amount in all to 500,000 tons, and estimating the freight at 5*l.* a ton, it might be said, seeing that the freight of all exported goods falls upon the purchasers, that more than a fifth of the 2,500,000*l.*, which might thus be called the annual value of our shipping, was paid by the nations with whom we traded. "Then," he concludes, "we pay the East Country about 200,000*l.* per annum for our naval stores, which could not be had but from that country, and gain above twice as much by our shipping from other nations. Therefore, though we pay so great an annual balance upon that trade, yet our treasure cannot be said to be exhausted by it: we have such goods in exchange for it as make us very ample amends, and enable us to supply that loss by our other commerce." We may here mention that, early in the reign of Anne, an act was passed "For encouraging the importation of naval stores from her majesty's plantations in America," which, after reciting in the preamble that such stores were then (in 1703) "brought in mostly from foreign parts, in foreign shipping, at exorbitant and arbitrary rates," while they might be provided in a more certain and beneficial manner from the vast tracts of land lying near the sea, and upon navigable rivers, in the colonies and plantations in America, which were at first settled, and were still maintained and protected at a great expense of the treasure of this kingdom, ordered that

certain bounties should be paid upon the importation from the said colonies of tar, pitch, rosin, turpentine, hemp, and masts.* The good consequence of this reasonable law, according to Anderson, was soon felt; so that at the time when he wrote both the New England provinces and also Carolina furnished us with great quantities of pitch and tar, "fit for most uses in the navy." "Of late, also," he adds, "good hemp and flax are raised in the said provinces, where there are such immense quantities of proper and excellent lands for the raising of those commodities." But this result was probably not produced to any considerable extent till a date a good deal later than that to which the details in the British Merchant refer. At the time when the act was passed it was computed that the quantity of pitch and tar, chiefly from Sweden, but in part also from Norway and from Archangel, imported by England, was about 1000 lasts; by Holland, for home-use and also for re-exportation to Spain, Portugal, and up the Mediterranean, 4000 lasts; by France 500; and by Hamburg, Lubeck, and the German ports, to the same amount.† By a subsequent act, passed in 1712, the same bounties were granted upon the importation of naval stores from Scotland; but this, as Anderson admits, was to little or no purpose, the lands and woods which might yield such naval stores being there, as the act itself states, "mostly in parts mountainous and remote from navigable rivers."‡ "This," he observes, "the York Buildings' Company experienced, to their cost, some years after this time: the timber they felled in some of those woods, at a great expense, being left to rot on the ground, the carriage of it to the nearest places of navigation being found impracticable, which will probably ever be the case with respect to Scotland, notwithstanding the bounties allowed by that act, or any larger bounties to be reasonably granted." 2. Another trade, which the writer in the British Merchant admits might also possibly be advan-

* Stat. 3 and 4 Anne, c. 9 (or 10 in the common editions).

† Anderson, Chron. of Com. iii. 17.

‡ Stat. 12 Anne, c. 9.

tageous, although it occasioned an annual export of bullion in the first instance, is that which we carried on with China and the East Indies. Besides goods and merchandises, we sent yearly to those countries between four and five hundred thousand pounds in money; but then, besides that there were some of our imports thence, such as saltpetre, pepper, and a few drugs, which perhaps we could not well do without, we re-exported all the silks and stained calicoes we brought home, the use of these articles being prohibited in England; and even of the white calicoes and muslins, of the coffee, tea, pepper, saltpetre, and other goods we procured by our East India and China trade, very great quantities were also re-exported, and for much more money than all that we sent to the East. "The consequence is," concludes our author, "that our treasure is not exhausted by that trade, since we have those goods in exchange for our money as procure us much greater sums from other countries, and since our whole loss is more than repaired by exporting part only of those goods at a much higher price than we paid for the whole."* This reasoning, however, would not have been deemed satisfactory by many political economists of the day—by Pollexfen and others, for instance, who still maintained that the East India trade was in reality little else than an exchange for useless and even pernicious luxuries of the only true wealth, and, as it were, the very life-blood of the kingdom; but some of the writers in the British Merchant were probably concerned in that trade, and members of the now comparatively flourishing company by which it was carried on. The United East India Company had resumed the payment of their dividends in 1709, first at the rate of only five per cent; but it was raised to eight in the latter part of the same year, soon after to nine, and, at last, in September, 1711, to ten per cent.†

A curious illustration of the value of the Turkey trade is afterwards given in an account of the manufacture of 100 broad-cloths, and their export to and sale in that

* *British Merchant*, i. 26.

† *Macpherson's European Com. with India*, p. 168.
VOL. II.

country, which is stated to have been communicated by a correspondent, and is probably therefore an account of an actual transaction. To begin at the beginning and follow the progress of the manufacture as well as the commercial history of the finished commodity, a clothier is first introduced who buys at market 50 packs of wool, picked and sorted, at 10*l.* per pack, or for 500*l.* With this wool he makes 100 broad-cloths, the manufacture of which, in carding, spinning, weaving, milling, dressing, &c., as such cloths were “usually brought to and sold white at Blackwell Hall,” would amount to about the first cost of the wool, or 500*l.* more; making the whole cost of the article 1000*l.* The clothier’s profit, of course, is on the manufacture, and is included in this sum, which is that for which he sells the 100 cloths to the merchant, being at the rate of 10*l.* per cloth. Then, the merchant has the cloths dyed, one-third in grain colours at 7*l.*, and two-thirds in ordinary colours at 30*s.* per cloth; making in all 333*l.* 6*s.* 8*d.*; and he also pays 15*s.* per cloth for selling, drawing, pressing, packing, &c.: so that they have cost him altogether 1408*l.* 6*s.* 8*d.* To repay him for this outlay, and for all other charges, including interest and insurance, he must get at least for his cloth in Turkey 2200 pounds of Persian fine raw silk (called Sherbaffee). Having brought this home, he manufactures the half of it into plain coloured tabies, for which he pays at the rate of 13*s.* 7*d.* per pound, or 747*l.* 1*s.* 8*d.* in all; and the other half into rich flowered silks brocaded, which will cost him 1*l.* 19*s.* 9*d.* per pound, or 2186*l.* 5*s.*; besides which the charge of dyeing only an eighth part of the silk into grain colours at 9*s.* per pound will be 123*l.* 15*s.* Add the freight of the cloth and the silk, computed at 40*l.* 12*s.* 6*d.*; the duty on the import of the silk, 156*l.* 15*s.*; and his factor’s commission abroad on the sale of the cloth, and the investment of the proceeds in silk, 100*l.*; and it will be found that the entire expenditure of the merchant, *omitting some petty charges*, has amounted to 4762*l.* 15*s.* “*If any is to be added for the merchant’s and the mercer’s gain,*” continues the statement, “(and we may depend

it they will not be at the trouble of driving their
s for nothing), we may very well affirm that the
e cost of this manufacture for consumption cannot
ee than the sum of 5000*l.*; so that 2200 pound
ht of Turkey raw silk manufactured here pays the
of 5000*l.* to the subsistence of our own people." Our
annual export of cloths to Turkey is stated to be
t 20,000 pieces, for about the half of which our
ns were in raw silk.*

very minute and complete account of our trade with
ce for one year in the reign of James II., 1686,
the trade was free, as drawn up from official re-
, and laid before the House of Commons during the
ssion on the Utrecht Treaty of Commerce, is here
ced simply to show that our imports from that
try then amounted annually in value to 1,284,419*l.*
mely, into the port of London 569,126*l.*, into the
orts 715,293*l.*; and our exports thither to only
228*l.*—namely, from London 409,563*l.*, and from
utports 105,665*l.*; so that the former exceeded the
by the sum of 769,190*l.*, or in other words that we
y the trade to that amount, even by such goods as
entered at the custom-house. "This were loss
ent, if annually repeated," exclaims the alarmed
in the British Merchant, "to ruin this kingdom
ery few years." Dismissing that apprehension, we
here note a few of the entries in the account which
a light upon the intercourse that formerly subsisted
en the two countries in a social rather than a com-
al point of view. Among the imports from France
e following items:—229 cwt. of unbound books,
1 at 20*s.* per cwt.; 37 small gross of bracelets or
aces of glass, valued at 44*l.* 8*s.*; 3876 fleams to let
, at 2*d.* each; 162 dozen fans for women, at 40*s.*
zen; 1487 cases of glass for windows, at 30*s.* per
20 reams of blue paper, at 10*s.* per ream; 20 of
per, at 7*s.* 6*d.* per ream; 77,336 of copy paper,
per ream; and 1659 reams of royal and larger
, at 40*s.* per ream; besides 11,617 reams (probably

* British Merchant, i. 137.

of copy paper) into the outports at 5s. per ream; 70 tons of Caen stones, at 15s. per ton; 1188 ells of tapestry with caddas, at 8s. per ell; 162 ells of tapestry with silk, at 13s. 4d. per ell; 16,648 tuns of wine, at 17l. 10s. per tun; 400 mill-stones, at 10l. each; 302 pounds of coral, at 3s. 4d. per pound; 4266 pounds of garden seeds, at 8d. per pound; 268 gallons of orange-flower water, at 5s. per gallon; and 400 pounds of rose-leaves, at 1s. per pound. Among the exports to France are, 1075 dozens of old shoes, at 10s. per dozen; 3 pairs of virginals, at 5l. per pair; 49 cwt. of printed books and maps, at 20s. per cwt.; 3 pictures, at 40s. each; 49 barrels of salmon, at 4l. per barrel; 11 horses, at 10l. each; 50 cats, valued altogether at 7s. 6d.; 141 dozen dogs, at 6s. per dozen; and 561 pounds of tea, at 10s. per pound. The writer before us asserts that even in his time, besides the goods from France entered at the Custom-house, great quantities were every day clandestinely imported.* He states also that, notwithstanding the higher duties that had been imposed, either our luxury or our substance had so much increased, that nearly as much wine was still imported from France as in the time of James II. "And are we," he asks, "less fond of clarets now than heretofore?"† It was also understood that, besides the quantity mentioned in the above account, the importation of French wines into Scotland amounted to three or four thousand tuns a-year.‡ Comparing the four years from 1682 to 1685 inclusive, during which French wines were excluded from this country, with the four from 1686 to 1689 inclusive, during which they were admitted, it appears that the removal of the prohibition, while it brought us an average annual importation of French wines to the amount of 13,400 tuns, reduced our average importation of Portuguese wines from about 11,000 to little more than 400 tuns, of Spanish from about 6700 tuns to less than 4000, and of Rhenish from above 1400 tuns to between 600 and 700. In 1685 we imported no French wines and

* British Merchant, i. 279.

† Id. p. 293.

‡ Id. p. 297

12,185 tuns of Portuguese ; but the next year, when the prohibition was taken off, 12,760 tuns of French wines were imported, and of Portuguese only 289. And it is admitted that even at the time when the prohibition was in force great quantities of French wines were every year imported under the names of Spanish and Portuguese, by the direction of the court and the connivance of the Custom-house officers.† The British Merchant, while he laments and condemns, very frankly admits, not only the general preference of his countrymen for French wines, but even the reasonableness of this preference as a mere matter of taste. “ Not to insist,” he says, glancing at the threatened infliction of the Utrecht Treaty of Commerce, “ upon the general inclination towards everything that is French, these wines will be the cheapest ; but they are so preferable in themselves, that I believe at a third-part greater price they would be the common draught in England.”‡

From an account of the manufacture of paper at this date, both in France and in England, we abstract the following details :—“ There are seven provinces in France where the manufacture of paper is settled, viz., Champagne, Normandy, Britany, Angoumois, Perigord, Limousin, and Auvergne ; the three last provinces are full of large forests of chestnut trees, and abound so much in that kind of fruit, that the common people have no other food all the year round, and no other drink but water ; so that they can afford their work very cheap, and do it for next to nothing, except some of the upper workmen, who earn a small salary by the week. This is so true that considerable parcels of paper were imported lately from thence, although the duties paid here exceed one hundred per cent. on the first cost.” To the objection made by De Foe, that a Frenchman living “ on an onion and a draught of water, a bunch of grapes, and a piece of bread ” never could do such a day’s work—could do so much in a day, and that much so well,—as an Englishman who had his beef and his pudding, our author

* British Merchant, i. 302.

† Id. pp. 307, &c.

‡ Id. p. 319.

roplices, "I have had the curiosity to inquire into the paper manufacture, and I find that five pair of hands are employed at every fat; that so many hands are necessary in England, and that more cannot be employed in France. I am taught, too, by our own manufacturers, that they do not dispatch here above eight reams of paper in a day at a single fat, and that they dispatch above nine in France with the same number of hands; and yet I believe there is not any man in England so hardy as to affirm that either ours, or indeed any paper in the world, exceeds that of France." He accounts for this on the principle, that there is a slight of hand in almost every manufacture which is more effective than mere strength. "Before the Revolution," the account proceeds, "there was hardly any other paper made in England than brown; but, the war ensuing, and duties being laid from time to time on foreign paper, it gave such encouragement to the paper-makers, that most of them began to make white paper fit for writing and printing; and they have brought it by degrees to so great perfection, both for quantity and goodness, that they make now near two thirds of what is consumed in Great Britain; and several of them make it as white and as well-bearing as any comes from abroad, as Sir William Humphreys, Mr. Baskett, and several others can witness. And I make no doubt, if further encouragement was given them by taking off the twelve per cent. excise which was lately laid upon home-made paper, and which, by the multitude of officers, brings in little or nothing to the queen, and the said twelve per cent., for an equivalent to the fund, was laid upon outlandish paper, but that they could in a little time make enough to supply all the occasions of the nation; there being above 120 fats within sixty miles of London, besides several more in Yorkshire and Scotland, which all, more or less, make white paper, and will undoubtedly go on daily improving and increasing that useful manufacture, if the present high duties be kept on French paper, being that which they dread most, by reason of its extraordinary cheapness." Then follows a description of the process of paper-making, which it is

unnecessary to extract : the rags, it is stated, which are the main ingredient, were formerly cast away, and thrown to the dunghill, " but are now gathered with great care by poor people, who get honestly their livelihood by it, and would otherwise beg their bread ; this employs abundance of hands." There is no mention of any importation of rags from abroad. The consumption of paper in Great Britain, the writer thinks, was not greater than it had been in the reign of King William ; he rates it at about 400,000 reams per annum, of which the 120 farts within sixty miles of the metropolis, making each on an average eight reams a day, furnished nearly three-fourths, and those in Yorkshire and Scotland, and our importations from Holland and Italy, the remaining 100,000 reams.*

The Union of Scotland and England, which took place in the reign of Anne—an event important to both countries in every point of view—laid a foundation for the extension of the commerce of Scotland particularly, which was not one of its least important consequences. Till now the two kingdoms, though under the rule of the same sovereign, regarded each the other as a foreign state, commercially as well as in respect to most of their political relations. The privileges of foreign trade enjoyed by the one were withheld from the other ; and their interchange of commodities with each other was extremely inconsiderable. An account has been published from the books of the Inspector-General of Customs of the value of the merchandise received by the one from the other by sea during the ten years preceding the Union, from which it appears that (independently of the little that might be conveyed by land-carriage) the amount of all the goods that passed between the two countries in a year much oftener fell short of than exceeded the small sum of 150,000*l.* In 1698 England imported from Scotland merchandise to the value of 124,835*l.*, and in 1700 to that of 130,087*l.*; but with the exception of these two years the English imports never reached 100,000*l.* And they went on decreasing almost every year : in 1697 they

* *British Merchant*, ii. 228–238. .

were 91,302*l.*; in 1699, 86,309*l.*; from 1701 to 1703 they never reached so high as 77,000*l.*; from 1704 to 1706 they were when at the highest under 58,000*l.*; and in the year 1706 they had fallen to 50,309*l.* The imports into Scotland from England, again, were never higher than 87,536*l.*, which they were in 1704; but they were more generally between 50,000*l.* and 60,000*l.*; in 1705 they were only 50,035*l.** Except that she obtained a share in the Scottish fisheries, which for a long time she took very little advantage of, the chief direct commercial benefit of which the Union put England in possession was merely the increase of this intercourse with Scotland, which was now thrown as fully open to her manufacturers and merchants as Yorkshire; but Scotland, which had no colonies or distant dependencies of her own, her solitary attempt at Darien having not only failed in itself, but well nigh bankrupted the mother country, was at once admitted to a participation in all the colonial commerce of England, in so far as it was free to the subjects of the latter country themselves, and more especially to that both with the American plantations and with Ireland. The market of England, of course, was also opened to her for the sale of any native produce or manufactures she might have to export which suited the wants or the tastes of that part of the island. "By this union," writes Anderson, about half a century afterwards, "Scotland's coarse woollen stuffs and stockings, and her more valuable linen manufactures, now of many various, beautiful, and ingenious kinds, have a prodigious vent; not only in England, but for the American plantations." He also notices the consumption to a large extent of the black cattle and peltry of Scotland by their southern neighbours—a branch of trade which has continued to increase down to our own day. Another economical advantage which the Scots derived from this political incorporation with England was the substitution of the coinage of the latter country for their own greatly depreciated currency. The Scottish gold and silver money

* See account published by Macpherson, in Ann. of Com. ii. 737.

was all called in on the occasion to be recoined ; and the native antiquaries boast that no less a sum than 411,117*l.* 10*s.* 9*d.* was actually brought to the Mint at Edinburgh for that purpose ; “ besides perhaps as much more, hoarded up by the whimsical, disaffected, and timorous, who were strongly prepossessed against the Union, and were far from believing it would last any length of time ; besides, also, what was then exported, and what was retained by silversmiths for plate, &c.”* On the whole, it is calculated that the gold and silver currency of Scotland in the year 1707 was not less than 900,000*l.* sterling. It has been estimated that the money circulated in England at this time was about sixteen millions.

After the details into which we have entered respecting the quarter of a century that immediately followed the Revolution, during which our trade may be supposed to have settled itself in the new channels into which it was impelled principally by that great political change and the wars to which it gave rise, it will be sufficient that we notice only the most remarkable or significant facts in the commercial history of the remainder of the present period.

The accession of the House of Hanover, however much the national industry in all its branches may have benefited from the tranquillity and security resulting from the confirmed establishment of that family on the throne, and the final extinction of the hope of a second restoration of the Stuarts, would not seem at first to have operated favourably upon our foreign trade, nor, consequently, upon the spirit and activity with which production was carried on at home, if we were to regard our exports to other countries as measuring the entire produce of our land and labour. The value of our exports for 1714, the last year of the reign of Anne, was 8,008,068*l.*, which was a higher amount than they ever reached during the reign of George I. In 1715 they fell to 6,922,263*l.* ; in 1716 they were 7,049,992*l.* ; and in 1718 they had declined so low as to 6,361,390*l.* From this point, how-

* Anderson, Chron. of Com. ii. 26, referring to Ruddiman's Preface to James Anderson's *Thesaurus Diplomaticus et Numismatum Scotiæ.*

ever, they gradually improved: in 1723 they were 7,395,908*l.*; and their average annual amount for the three years 1726, 1727, and 1728 was 7,891,739*l.* The amount of shipping cleared outwards in each year corresponded generally with these valuations of the cargoes: in 1714 it was 478,793 tons (of which 33,950 were foreign); in 1715, 425,900 tons (of which 19,508 were foreign); in 1716, 456,309 tons (of which 17,493 were foreign); in 1718, 444,771 tons (of which 16,809 were foreign); in 1723, 419,683 tons (of which 27,040 were foreign); and on the average of the three years from 1726 to 1728 inclusive, 456,483 tons (of which 23,661 were foreign).* In connexion with the subject of the mercantile shipping, we may note here that the royal navy, which at the end of the reign of Anne is stated to have amounted to 167,171 tons, was reduced in 1721, according to a writer of the day, to 158,233,† but had increased again at the death of George II. to 170,860 tons.‡

Among the minor events, or arrangements, by which our trade and manufactures were affected in the reign of George II., may be mentioned the following:—In 1715 a treaty of commerce was made with Spain, by which it was stipulated that British subjects were to pay no higher duties in the Spanish ports than they paid in the reign of the Spanish king Charles II. (that is, than they paid before the commencement of the late war); that they should nowhere pay any higher or other duties than were paid by the subjects of his Catholic majesty in the same places; and that the subjects of both kingdoms should be mutually treated in each on the footing of the most favoured nations. In 1717 the duty on the export of

* Chalmers, Estimate, 104, 105.

† Survey of Trade, by William Wood (afterwards Secretary to the Commissioners of the Customs), p. 15. Wood dedicates his book to George I.; and his object is to prove the progress that the navy, as well as all the other elements of the national power and prosperity, had made since the Revolution.

‡ Account laid before House of Commons in 1791.

British-made linen (which, however, was only sixpence on the piece of forty ells) was taken off, as that on the export of corn and woollens had been some years before, on the ground that the said linen manufacture employed many thousands of the poor of the kingdom.* In 1721 parliament passed an important act for the encouragement of the trade and manufactures of the kingdom, by which, first, certain bounties were granted upon the exportation of home-made silken stuffs and ribands, and mixed stuffs of silk and grogram, silk and inkle or cotton, and silk and worsted; secondly, all duties whatsoever payable on the exportation of native produce and merchandises were taken off, except only those on alum, lead, tin, tanned leather, copperas, coals, wool-cards, white woollens, lapis calaminaris, skins, glue, coney wool, hare's wool, hair, horses, and litharge of lead; thirdly, all substances used in dyeing, saltpetre only excepted, were allowed to be imported duty free; and, lastly, a reduction was made in the duties on the importation of pepper, mace, nutmegs, and cloves. Half the duty paid on furs was also ordered to be returned on their re-exportation.† In 1719 an annual sum of 2000*l.* per annum out of the revenues of customs and excise in Scotland was allotted for ever to be applied towards the encouragement of the fisheries, and such manufactures and improvements in that country as might most conduce to the general good of the United Kingdom.‡ And in 1726 certain new facilities were given by another act for the importation of salt from England into Newfoundland and the northern parts of America, where, as is recited in the preamble, the river Delaware, the bay and coast of the province of Pennsylvania, and the seas adjoining, had been found to be very commodiously situated for carrying on the fishing trade, and to abound with great quantities of shad, sturgeon, bass, and several other kinds of fish, which might be caught and cured, and made fit for foreign markets, "whereby," it is added, "the trade of Great Britain and the inhabitants of the said province would reap con-

* Stat. 3 Geo. I. c. 7.

† Stat. 8 Geo. I. c. 15.

‡ Stat. 5 Geo. I. c. 20, § 14.

siderable benefit, which would enable the said inhabitants to purchase more of the British manufactures for their use than at present they are able by reason of the little trade and produce the said province affords."* Of how little value our American settlements were still esteemed may be understood from the fact, that, when only a few years before this, in 1715, a bill was brought into parliament (which, however, did not pass) for enabling the crown to purchase what were called the charter and proprietary colonies, William Penn had agreed to sell his lordship of Pennsylvania for twelve thousand pounds ! He had himself asked only twenty thousand in the first instance, when the negociation was begun with him in the reign of Anne. In 1724, on the application of the South Sea Company, who had resolved to re-enter upon the long abandoned whale fishery, an act was passed by parliament taking off the duty of three-pence per pound on whale-fins, and allowing fins, oil, and blubber to be exported duty free in British ships for the term of seven years. The company forthwith directed twelve ships of 360 tons each to be built for the Greenland trade ; and "hired," says Anderson, "the Duke of Bedford's great wet-dock at Deptford, for the use of their ships and stores, and for curing of their oil and whale-fins." "In the year 1725," he afterwards relates, "the South Sea Company commenced their unfortunate whale-fishery. Their twelve new ships brought home twenty-five whales and a half ; and, though this was scarcely a saving voyage, it was, nevertheless, the very best year of any of the eight in which they carried on that fishery. It must, however, he observed, that, the nation having entirely relinquished this trade for so many years past, there was not an Englishman to be found who knew anything of the Greenland or whale-fishery. The Company was, therefore, under the necessity of having all their commanders, harpooners, boat-steerers, line-veerers, and blubber-cutters, from Fohrde in Holstein (some few natives of Scotland excepted, who *on this occasion* left the service of the Hollanders), who *had before this time* been constantly employed either by

* Stat. 13 Geo. I. c. 5.

Hamburghers, Bremers, or Hollanders. Those Holsteiners cost the Company this year 3056*l.* 18*s.* 3*d.*, although but 152 in number ; not only because they were all what is usually called officers in that fishery, and consequently had more wages and allowances than the common sailors, but had also their charges borne by the Company both in coming every year from and returning back to Holstein to their families, as was also their constant practice when employed by other nations ; whereas above double their number, namely, 353 British subjects, employed on those twelve ships, cost but 3151*l.* 15*s.* 5*d.*" The Company, however, the next spring built twelve more ships, and in 1726 the whole twenty-four proceeded to Greenland and Davis Straits. "In which," says our annalist, "they succeeded considerably worse than in their first voyage, having brought home but sixteen whales and a half." In 1727 they sent out twenty-five ships, manned by 762 British subjects and 344 foreigners ; when two of the ships were lost, and the rest brought home only twenty-two whales and a half—being not quite one fish for each. At last, in 1732, the Company determined to retire from the trade ; their expenditure upon which during the eight years they had carried it on had been 262,172*l.*, while their returns had amounted only to 84,390*l.*, leaving them losers to the extent of 177,782*l.* "It has been usually computed," observes Anderson, "that, if a Greenland ship brought home but three whales, it would be a reasonably gainful year ; but, most unfortunately for the South Sea Company, they had not, in all the eight years' fishery, brought home at the rate of one entire whale per ship, taking one year with another. It has, moreover, been a maxim among the whale-fishing adventurers, that one good fishing year in seven usually makes up the losses of six preceding bad years. But it was very unhappy that all the said eight years happened to be bad, not only to the Company, but to most of the adventurers of other nations." The next year an attempt was made by parliament to revive the trade by the forcing system of a bounty upon the ships employed in it ; and other similar artificial encourage-

ments were afterwards on several occasions applied to the same purpose ; but, although the English whale fishery was thus kept from absolutely expiring, it never was prosecuted with any considerable or general success, nor could be regarded as one of the regular branches of the national industry, till after the close of the present period.

The year 1720 is memorable in our financial history for the famous South Sea scheme, or project adopted by the Government and the legislature of effecting the liquidation of the national debt by the instrumentality of the mercantile company of that name, which had been incorporated in 1711 by act of parliament, for the very different object of carrying on a trade to the South Seas. As soon as the company was placed in its new and extraordinary position, the eagerness to purchase its stock became a universal mania. But, wild as was the epidemic phrensy that seized men's minds on this occasion, and disastrous as it proved in its consequences to the fortunes of numerous individuals, it was probably neither in its beginning symptomatic of anything unsubstantial or tending to a decline in the national wealth, nor in its ultimate consequences very much of a public or general calamity. We have just seen, that for some years after the accession of George I. our exports to foreign countries rather diminished than increased ; but we should probably misinterpret that fact if we assumed it to be an evidence of any falling off in our produce and manufactures, as if we sent less of them abroad because we had less at home. It is much more likely that the contrary was the case—that we had less to spare to our neighbours because we were able to consume more ourselves, or, in other words, that our merchants were partially withdrawn from the foreign market by the temptations of an improved market at home. If it was so, the importance of our home trade is and always has been so prodigiously superior to that of our foreign trade, that is to say, the demand for our produce and manufactures abroad has at all times been so insignificant in comparison with their consumption among ourselves, that a slight falling off in the quantity of our

exports may very possibly have been compensated ten times over to our manufacturers and producers by the readier vent and higher prices they obtained for their goods without crossing the seas. The single circumstance of the decline that now took place in the rate of interest may be regarded as a proof of the growing abundance of capital, seeing that it cannot apparently be attributed to the only other cause by which such an effect could be produced, a diminution of the field for the employment of capital ; for the rate of interest always represents the effective value of capital, which again (as with all other things that are marketable or exchangeable) varies directly as the demand and inversely as the supply. Now, at this time the national interest of money had fallen to three per cent. : even the government, which, from the extent of its necessities always made its loans at a disadvantage, seldom throughout the reign of George I. borrowed at more than four. And other indications pointed in the same direction, disclosing in like manner an economical condition of the nation, and a temper of the public mind, from which the chief danger to be apprehended was the wanton and impatient recklessness of unwonted plenty and prosperity ;—among the rest the taste for lotteries, projects, and other short cuts to wealth, which appears to have been ever since the Revolution more and more gaining possession of the popular mind. For it is a mistake to suppose that the history of projects and bubble companies in England begins with the year of the South Sea delusion. They had never, indeed, come in so great an inundation before, but we had had less considerable outbreaks of the same kind of spirit on other occasions since the Revolution. The years 1694 and 1695, for instance, were remarkable project-years. Among many more schemes that were then set on foot, and which eventually came to nothing, were the famous Dr. Hugh Chamberlain, the man-midwife's, Land Bank, for lending money at a low interest on the security of land, and establishing a national paper currency on that basis ; another scheme of the same kind proposed by one John Briscoe ; various projects of fishing for lost treasure

in the sea ; projects for pearl-fishing, for mining, for turning copper into brass, for the manufacture of hollow sword-blades, glass bottles, japanned goods, printed hangings, Venetian metal, &c. " Some of which," says a writer of the day, who has given full details on the subject, " were very useful and successful whilst they continued in a few hands, till they fell into stock-jobbing, now much introduced, when they dwindled to nothing. Others of them were mere whims, of little or no service to the world. . . . Moreover, projects, as usual, begat projects—lottery upon lottery, engine upon engine, &c., multiplied wonderfully. If it happened that any one person got considerably by an happy and useful invention, the consequence generally was, that others followed the track, in spite of the patent, and published printed proposals, filling the daily newspapers therewith ; thus going on to jostle out one another, and to abuse the credulity of the people."* Here we have, on a smaller scale, all the phenomena of the year 1720. Again, under the year 1698, we find the chronologist of our commerce noting—" London at this time abounded with many new projects and schemes, promising mountains of gold ;" and quoting contemporary authorities as complaining heavily " that the Royal Exchange of London was crowded with projects, wagers, airy companies of new manufactures and inventions, stock-jobbers, &c." This was the reason, it seems, why soon after the business of stock-jobbing was removed from the Royal Exchange, first to 'Change Alley, and afterwards to Capel Court, where the building called the Stock Exchange now stands. The author of an *Essay on Projects*, printed about this time, speaks of having seen " shares of joint-stocks and other under-

* Extracted, with much more, by Anderson, *Chron. of Com.* ii. 614, from " *Angliae Tutamen; or, the Safety of England : being an Account of the Banks, Lotteries, Diving, Draining, and Lifting, and sundry other Engines, Metallic, Salt, Linen, and many other pernicious projects now on foot, tending to the Destruction of Trade and Commerce, and the Impoverishing of this Realm.* By a Person of Honour." 4to. Lond. 1695.

takings blown up by the air of great words, and the name of some man of credit concerned to perhaps one hundred pounds for one five-hundredth part or share [the meaning probably is, for the fifth part of a hundred pound share], and yet at last dwindle to nothing."* Jobbing in the stock of the great chartered companies was now carried to such a length, that within the first nine or ten years after the Revolution shares in the East India Company had—"by the management of stock-jobbers," as Anderson affirms—been sold on the Exchange at all prices from 300 per cent. down to 37 per cent.—an extent of fluctuation belonging to a game of chance rather than to any legitimate commercial speculation. Successive acts of parliament testify to the rage for lotteries which had long prevailed. "Whereas," begins one passed in 1698, "several evil disposed persons for divers years last past have set up many mischievous and unlawful games called lotteries, not only in the cities of London and Westminster, and in the suburbs thereof and places adjoining, but in most of the eminent towns and places in England and dominion of Wales, and have thereby most unjustly and fraudulently got to themselves great sums of money from the children and servants of several gentlemen, traders, and merchants, and from other unwary persons, to the utter ruin and impoverishment of many families, and to the reproach of the English laws and government, by colour of several patents or grants under the great seal of England for the said lotteries, or some of them, which said grants or patents are against the common good, trade, welfare, and peace of his majesty's kingdoms;" and then the lotteries in question are declared to be one and all public nuisances, and all the grants to be void and illegal.† The evil, however, was not effectually remedied; for in 1710 and 1711 we find parliament still complaining of its existence, and resorting to new measures for the suppression of lotteries and other such delusive and fraudulent projects, of which advertisements, it is declared, continued to be daily published in the common printed newspapers

* Quoted in Anderson, ii. 642.

† 10 Will. III. c. 23 (10 and 11 Will. III. c. 17 in common editions).

and otherwise.* The phrensy of the year 1720, therefore, we may say, was only the height and crisis of a fever that had been long at work in the public mind. And, although it is commonly assumed that it was the temporary success of Law's Mississippi conjuration in France which provoked the delirium and credulity of our own South Sea Company speculators, the truth rather appears to be that the example of the French project only suggested to the contrivers of the scheme for paying off the English national debt a method of proceeding by which, under that pretence, they could turn to the best account for themselves a general pre-disposition of their fellow-countrymen that prepared them for being readily duped by such extravagant promises of sudden wealth, and that would have certainly exploded about the same time in some other fashion, but with results nearly the same, if neither the South Sea scheme nor the Mississippi scheme had ever been thought of. And, after all, as we have observed, the calamitous effects of the madness were rather individual and immediate than permanent or general. There was little if any absolute destruction of capital ; the whole mischief consisted in a most quick and violent shifting of property from one hand to another ; many rich persons were made suddenly poor, but many poor persons were also made suddenly rich ; and, if some old families were thrown to the ground, some new ones were at the same time raised from the ground and established in their places. Not a social revolution, certainly, which it would be desirable to see often repeated—on the contrary, an interruption of the natural, even course of things fraught with much temporary inconvenience and misery—a wrench or shake given to the body politic which it cannot but feel sharply at the moment, but by which, for all that, its general health will suffer nothing. Nay, the shock may do good in the long run rather than harm. In the present instance, that would appear to have been the case. The catastrophe of the South Sea delusion—the

* See 9 Anne, c. 6, s. 57, &c., and 10 Anne, c. 19 (c. 26 in common editions), s. 111, &c. See also 5 Geo. I. c. 9 (passed in 1718).

ruin many of the eager adventurers had brought upon themselves, and the well-merited punishment that was inflicted upon others—had probably a considerable effect in sobering down the extravagant spirit of cupidity, bred under the influence of an unaccustomed prosperity and abundance, in which the recent mania had originated, and in turning people's thoughts from the dream of making money by mere legerdemain and gambling to the slower but surer ways of regular commercial industry and enterprise.

During the short time it lasted, however, the excess to which the general intoxication, excited by the mounting up of the South Sea Company's stock, proceeded is almost incredible. Anderson has given us a curious table of the crowd of new projects that jostled one another in the money-market, and also an interesting description of the general scene of competition and clamour among the dealers and purchasers of the various stocks, which seems to be taken from personal observation. Of the great legal corporations whose stock was raised for the time to extravagant prices he enumerates, besides the South Sea Company, whose original 100*l.* shares came at last to sell for 1000*l.* each, the East India Company, whose 100*l.* shares rose to 445*l.*; the Bank of England, whose shares, originally worth about 96*l.*, rose to 260*l.*; and the Royal African Company, whose 23*l.* shares rose to 200*l.* Besides these there were, having doubtful charters, the Million Bank, whose stock rose from 100*l.* to 440*l.*; the York Buildings' Company, whose 10*l.* shares rose to 305*l.*; the Lustring Company, whose shares originally of 5*l.* 2*s.* 6*d.* rose to 120*l.*; and others. Another class of funds was founded on the revival of old companies, such as the Mine Adventurers, the Sword Blade Company, &c., which had long been deserted and defunct. Other schemes were for local and personal objects, such as the Temple Mills Brass Works, whose 10*l.* shares rose to 250*l.*; and Sir Richard Steele's Fish Pool, for bringing fresh fish by sea to London, the shares in which rose in the market to 160*l.*, although no money at all was paid for them originally.

Then there was a vast number of what Anderson describes as “ Projects or bubbles, having neither charter nor act of parliament to authorise them ; none of which were under one million, and some went as far as ten millions ;” “ very many whercof,” he adds, “ are distinctly remembered by the author of this work, how ridiculous and improbable soever they may now seem to many not acquainted with the infatuation of that year.” The prices of the shares of only a few of those are given ; but one example, that of the Orkney Fishery, the stock of which rose from 25*l.* to 250*l.*, may show that the most unsubstantial among them did not fail to be turned into powerful engines of swindling and plunder. Among them are enumerated eleven other fishing projects—four salt companies—ten insurance companies—four water companies—two companies for the remittance of money—two sugar companies—eleven companies for settlements in or trading to America—two building companies—thirteen land companies—six oil companies—four harbour and river companies—four companies for supplying London with coal, cattle, and hay, and for paving the streets—six hemp, flax, and linen companies—five companies for carrying on the manufacture of silks and cottons, one of which is described as Sir Richard Manningham’s Company “ for planting of mulberry trees and breeding of silk-worms in Chelsea Park, where two thousand of these trees were actually planted, and many large expensive edifices were erected, the remains whereof are scarcely now to be seen”—fifteen mining companies—and, bringing up the rear, a miscellaneous rabble, sixty in all, among which we read the following titles :—For building of hospitals for bastard children—for importing a number of large jackasses from Spain, in order to propagate a larger kind of mules in England ; “ for which purpose marsh lands were treating for near Woolwich ; a clergyman, long since dead, being at the head of this bubble”—for trading in human hair—for fattening of hogs—for a grand dispensary, three millions—for a wheel for a perpetual motion—for furnishing funerals—for insuring and increasing children’s fortunes—

for trading in and improving certain commodities of this kingdom, three millions—and even, carrying the indefinite still farther than this, for an undertaking which shall in due time be revealed! For this last we are told a subscription was actually opened. The most absurd of these bubbles, indeed, seem not to have wanted dupes. “From morning till evening,” says Anderson, “the dealers therein, as well as in South Sea stock, appeared in continual crowds all over Exchange Alley, so as to choke up the passage through it. Not a week-day passed without fresh projects recommended by pompous advertisements in all the newspapers (which were now swelled enormously), directing where to subscribe to them. On some sixpence per cent. was paid down, on others one shilling per cent., and some came so low as one shilling per thousand at the time of subscribing. Some of the obscure keepers of those books of subscription, contenting themselves with what they had got in the forenoon by the subscriptions of one or two millions (one of which the author particularly well remembers), were not to be found in the afternoon of the same day, the room they had hired for a day being shut up, and they and their subscription books never heard of more.” The utmost that appears to have been paid even on those projects that “had one or more persons of known credit to midwife them into the alley” was ten shillings per cent. “Persons of quality of both sexes,” continues our author, “were deeply engaged in many of these bubbles, avarice prevailing at this time over all considerations of either dignity or equity; the males coming to taverns and coffee-houses to meet their brokers, and the ladies to the shops of milliners and haberdashers for the same ends. Any impudent impostor, whilst the delusion was at its greatest height, needed only to hire a room at some coffee-house or other house near that alley for a few hours, and open a subscription-book for somewhat relative to commerce, manufacture, plantation, or of some supposed invention, either newly hatched out of his own brain, or else stolen from some of the many abortive projects of which we have given an account in former

reigns, having first advertised it in the newspapers the preceding day, and he might in a few hours find subscribers for one or two millions—in some cases more—of imaginary stock. Yet many of those very subscribers were far from believing those projects feasible : it was enough for their purpose that there would very soon be a premium on the receipts for those subscriptions, when they generally got rid of them in the crowded alley to others more credulous than themselves. And, in all events, the projector was sure of the deposit money. The first purchasers of those receipts soon found second purchasers, and so on, at still higher prices, coming from all parts of the town, and even many from the adjacent counties ; and so great was the wild confusion in the crowd in Exchange Alley, that the same project or bubble has been known to be sold, at the same instant of time, ten per cent. higher at one end of the alley than at the other end." In some cases what people got for their money scarcely professed to be anything else than simply a receipt for it—which, nevertheless, the purchaser was to try to pass off at a higher price upon somebody else ; as if it were to be attempted to circulate a description of bank-notes without either signature or promise of payment, on the mere chance of each successive receiver finding some other more sanguine or venturesome than himself to take the worthless paper off his hands on a similar calculation. This might be called a paper currency resting not on credit but on hope. Anderson says that he well remembers what were called Globe Permits, which came to be currently sold for sixty guineas and upwards each in the alley, and which were, nevertheless, only square bits of a playing card bearing the impression in wax of the sign of the Globe Tavern in the neighbourhood, and the words Sail Cloth Permits for a motto, without any signature, and only conveying to their possessors the permission to subscribe some time afterwards to a new Sail Cloth Company not yet formed ! We cannot help thinking that money must have been pretty plentiful when people could be found to give sixty guineas for any such article. Yet it

is impossible to say how much higher the prices of shares in even the most nonsensical and absurd of these bubbles might have mounted if the system had not received a sudden check from the very quarter whence it had derived its beginning and original impulse. "The taverns, coffee-houses, and even victualling-houses near the Exchange," Anderson goes on to relate, "were constantly crowded, and became the scenes of incredible extravagance. The very advertisements of those bubbles were so many as to fill up two or three sheets of paper in some of the daily newspapers for some months." Even the wildest of the schemes, he adds, "had a very considerable run, much money being got and lost by them; and, as for the great bulk of them, there were almost incredible numbers of transactions in them daily and hourly for ready money, and mostly at very advanced prices. Moreover, great numbers of contracts were made for taking many of them at a future time." About midsummer it was calculated that the value of the stock of all the different companies and projects at the current prices exceeded five hundred millions sterling, or probably five times as much as the current cash of all Europe, and more than twice the worth of the fee-simple of all the land in the kingdom. But now, on the 18th of August, came out writs of *scire facias*, at the instance of the South Sea Company, directed against certain of the pretended companies expressly by name, and generally against all other projects promulgated contrary to law, all the subscribers to which were ordered to be prosecuted by the law officers of the crown. "This," continues Anderson, "instantly struck so general a panic amongst the conductors of all the undertakings, projects, or bubbles, that the suddenness as well as greatness of their fall was amazing. York Buildings stock, for instance, fell at once from 300 to 200; and in two days after neither it nor the other three undertakings expressly named in the *scire facias* had buyers at any price whatever. The more barefaced bubbles of all kinds immediately shrunk to their original nothing; their projectors shut up their offices and suddenly disappeared; and

Exchange Alley with its coffee-houses were no longer crowded with adventurers ; many of whom, having laid out their substance in those airy purchases, now found themselves to be utterly undone ; whilst, on the other hand, such as had dealt in them to great advantage became extremely shy of owning their gains." But the great mother of all the delusions and impositions soon felt that, though her progeny had become her rivals, in their life was involved her own. It was the spirit of gambling and madness that the mob of minor projects excited and fed by which the South Sea Company itself was sustained. From the day on which they were put down is to be dated the beginning of a decline in the price of the Company's stock, from which it never recovered. When the *scire facias* came abroad South Sea stock was at 850 ; by the 22nd of August it had fallen to 820 ; by the 30th, to 780 ; by the 8th of September, to 680 ; by the 20th, to 410 ; by the 29th, to 175. By this time all faith in the possibility of its being kept up at a price above its original cost and real value was irretrievably gone ; the bubble was burst ; the delusion over ; the drunkenness passed away, and only exhaustion, aching, and repentance left. " And now, towards the close of this year of marvels," says Anderson, winding up his narrative, " were seen the great losses of many families of rank, and some of great quality, and the utter ruin of merchants before of great figure, and also of certain eminent physicians, clergy, and lawyers, as well as of many eminent tradesmen ; some of whom, after so long living in splendour, were not able to stand the shock of poverty and contempt, and died of broken hearts ; others withdrew to remote parts of the world and never returned." But, as we have intimated, the hurricane which so greatly disturbed the air in rapidly passing through it probably made it purer and healthier for a long time to come.

The reign of George II. may be conveniently regarded for our present purpose as divided into three periods of nearly equal length—the first extending from 1727 to the year 1739, during which, with the exception of the short war with Spain, which George I. had left as a legacy to

his successor, and which was brought to a close soon after the commencement of the new reign, we were in the enjoyment of peace with all the world ;—the second, the space embraced by the general war which broke out in 1739, and continued to rage till the peace of Aix-la-Chapelle in 1748 ;—and the third, consisting of the remaining twelve years of the reign, the first eight of which were years of peace, the last four of war.

The general condition of the country at the commencement of the reign was undoubtedly one of considerable actual prosperity ; and the rate of our economical advancement was probably also both higher and steadier than it had ever been before. Anderson has collected under the year 1729 the various evidences by which Walpole and the friends of his administration supported their assertion of the thriving circumstances of the time in reply to the factious declarations of their opponents :—the low rate of interest, demonstrating the plenty of money ; the rise that had taken place in the price of land, from twenty or twenty-one years' to twenty-five, twenty-six, and twenty-seven years' purchase ; the great sums that had been of late years expended in the enclosing and improving of lands and in the opening and working of mines ; “ the great increase of jewels, plate, and other rich movables, much beyond elder times ;” the increased value of our general exports, and especially of our exports of the great staple articles of produce and manufacture, wool, coal, lead, and tin ; and, lastly, the increase that had taken place in the quantity of our mercantile shipping.*

The progress of the two last-mentioned measures of the activity of our manufactures and commerce may be stated as follows for the whole of the reign :—The total estimated annual value of our exports, which, on the average of the three years 1726, 1727, and 1728, was, as we have seen, 7,891,739*l.*,† had grown to be on the average of 1736, 1737, and 1738, the three last years of the peace, 9,933,232*l.* ; on that of 1739, 1740, and

* Chron. of Com. iii. 156.

† Chalmers, Estimate, p. 105. At p. 112 the figures are printed 7,918,406*l.*

1741, the three first years of the war, it fell to 8,870,499*l.*; but in 1744 it was 9,190,621*l.*; in 1747, 9,775,340*l.*; and in 1748, which was rather the first year of peace than the last of the war, it mounted at once to 11,141,202*l.* Nor was this a mere temporary elevation: in the next three years, 1749, 1750, and 1751, the total value of our exports was on an average 12,599,112*l.* The amount slightly declined, indeed, in 1755, 1756, and 1757, on the average of which three years it was only 11,708,515*l.* —the depression being probably occasioned by the uncertain and threatening aspect of things that preceded the breaking out of hostilities; but the war when it came, unlike all former wars in which we had ever been engaged, rather assisted than injured our foreign trade; and our exports from this date continued to increase every year to the end of the reign, their estimated value being, in 1758, 12,618,335*l.*; in 1759, 13,947,788*l.*; and in 1760, 14,693,270*l.* Thus, in the course of the reign of George II. the amount of our exports was very little less than doubled. The increase in the quantity of the shipping employed in our foreign trade, however, was not nearly so great. The total tonnage of the ships cleared outwards, which on the average of the three years ending with 1728 had been 456,483 tons, was 503,568 (including 26,627 foreign) on that of the three ending with 1738; 471,451 (including 87,260 foreign) on that of the three years ending with 1741; 446,666 (including 72,849 foreign) in 1744; 496,242 (including 101,671 foreign) in 1747; 554,713 (including 75,477 foreign) in 1748; 661,184 (including 51,886 foreign) on the average of the three years ending with 1751; 524,711 (including 73,456 foreign) on that of the three ending with 1757; 505,844 (including 116,002 foreign) in 1758; 527,851 (including 121,016 foreign) in 1759; and 573,978 (including 112,737 foreign) in 1760. Thus the amount of native shipping employed in our foreign trade, which was 432,832 tons at the beginning of the reign, was not more than 471,241 at its close.* This, however, in the

* From various accounts (apparently official) given by Chalmers, Estimate, pp. 112—132.

absence of any account of our coasting trade, proves nothing as to the amount of the general mercantile marine of the kingdom. The tonnage of the royal navy, which at the end of the last reign was 170,862 tons, was in 1741, 198,387 ; in 1749, 228,215 ; in 1754, 226,246 ; and in 1760, 321,104.*

Another indication of the advancing wealth of the country throughout this reign is afforded by the regularly augmenting produce of the Sinking Fund, which was made up from the surplus yielded by the ordinary taxes over and above certain fixed payments with which they were made chargeable. The Sinking Fund, therefore, may be regarded as an index of the productiveness of the national taxation, which, again, was itself an index of the consumption of the people as determined by their numbers and their ability to purchase necessaries and luxuries. Now the surplus paid over to the Sinking Fund, which, at its establishment in 1717, was only 323,427*l.*, and by 1724 had only reached 653,000*l.*, had in 1738 come to be no less than 1,231,127*l.*, and it appears to have gone on increasing at the same rate to the end of the reign, seeing that in 1764, the next date at which we find it noted, it is stated to have been about 2,200,000*l.* Part of this increase is no doubt to be attributed to the increase of population ; but that cause alone will not nearly account for the whole of it.

One of the sources to which the stream of our commerce owed its gradual and steady expansion throughout this reign was the growing importance of our possessions in the islands and on the continent of America. Of the attractions which the latter already presented to persons who found themselves in want of employment or in straitened circumstances in the old world, or for any other reason sought a new country in which to better their fortunes, we may judge from an account which has been preserved of the arrivals from Europe in the single pro-

* This last number is taken from the account laid before the House of Commons in 1791, which was made up at the Navy Office. Chalmers, on whose authority the other numbers are given, makes the tonnage in 1760 only 300,416 tons.

vince of Pennsylvania in the year 1729. There emigrated from Europe to Pennsylvania in that year no fewer than 6208 persons, of whom, as in the emigration of the present day, the great mass were Irish, driven from their native land, the account states, "by reason of rack-rents there"—in other words, by the same scarcity and high price of land, and utter want of any other means of subsistence, which still constitute the unhappy economical condition of that country. Of the 6208 individuals, 243 were Germans from the Palatinate, 267 English and Welsh, 43 Scotch, and the remaining 5655 all, or mostly all, Irish. The Germans were all passengers, the Scotch all servants, the English, Welsh, and Irish, partly passengers, partly servants. By this time, "in the province of Pennsylvania," says Anderson, "great improvements were constantly making in commerce, shipping, and agriculture; many ships and sloops were continually building at Philadelphia, Newcastle, &c., which they mostly dispose of to our sugar colonies, and the rest they use in the carrying their own product, consisting of cask-staves, lumber, pork, pease, flour, biscuit, &c., in exchange for sugar, rum, molasses, and British money."* As yet, however, as we learn from a report of the Board of Trade which was drawn up on an order of the House of Commons in 1732, there were no manufactures of any consequence established in Pennsylvania; even the clothing of the people and the utensils for their houses were all imported from Great Britain. The case was nearly the same, according to the report, in New Hampshire, New York, and New Jersey. The inhabitants only made a few coarse linens and woollens for their own use, and even of these a less quantity than they used to do. In Massachusett's Bay, however, industry had made somewhat greater progress. There they not only built ships for the French and Spaniards, as the Pennsylvanians did for their neighbours of the West India Islands, but they had already in that and other New England States six furnaces and nineteen forges for the smelting of

* Chron. of Conn., iii. 155.

iron, and they fabricated all sorts of iron-work for shipping. They also made great quantities of hats, many of which were exported, as was complained of by the Hatters' Company of London, to Spain and Portugal as well as to the West Indies. There were besides, the report states, several still-houses (for making rum) and sugar bakers established in New England. It is affirmed, however, that, after all, the iron-works in the province of Massachusetts were not sufficient to supply the twentieth part of what was required for the use of the country, and that, the quality of the little that was made was greatly inferior to that of the iron imported from Great Britain. Some iron was also made in Rhode Island, but not to the extent of a fourth part of the consumption. From another account of nearly the same date, a work published at London in 1731, entitled, "The Importance of the British Plantations in America to this Kingdom considered," we gather some other interesting particulars. Pennsylvania, this author states, though the youngest of our American colonies, had already a more numerous white population than was spread over all Virginia, Maryland, and both the Carolinas. The produce of this province for exportation consisted of wheat, flour, biscuit, barrelled beef and pork, bacon, hams, butter, cheese, cider, apples, soap, myrtle-wax, candles, starch, hair-powder, tanned leather, bees'-wax, tallow candles, strong beer, linseed oil, strong waters, deer-skins and other peltry, hemp, some little tobacco, sawed boards and timber for building of houses, cypress-wood, shingles, cask-staves, headings, masts, and other ship-timber, and various dyeing substances, or drugs as they were called. The shipping which they employed in their own trade might amount to about six thousand tons, and the quantity they built for sale was about two thousand tons annually. "They send," the account continues, "great quantities of corn to Portugal and Spain, frequently selling the ship as well as cargo; and the produce of both is thence sent to England, where it is always laid out in goods and sent home to Pennsylvania. . . . They receive no less than from 4000 to 6000 pistoles from the Dutch isle of Curacao."

alone, for provisions and liquors. And they trade to Surinam in the like manner, and to the French part of Hispaniola, as also to the other French sugar islands ; from whence they bring back molasses and also some money. From Jamaica they sometimes return with all money and no goods, because rum and molasses are so dear there ; and all the money they can get from all parts, as also sugar, rice, tar, pitch, &c., is brought to England, to pay for the manufactures, &c., they carry home from us." The amount of the purchases thus made by the Pennsylvanians in England, he affirms, had not for many years been less than 150,000*l.* per annum. New York and Jersey had the same commodities to dispose of as Pennsylvania, except that they did not build so many ships ; but there had lately been discovered in New York the richest copper-mine perhaps that was ever heard of, and great quantities of its produce had been brought to England. And, although this province sent fewer ships to England than some of the other colonies, yet those it did send were more richly laden, a larger portion of their cargoes being made up of furs and skins, which were obtained from the Indians. On the whole, this writer reckons New York to be at least of equal advantage to the mother country with Pennsylvania, both in respect of the money it sent us and the manufactures it took from us. Massachusetts, he goes on to state, had already at least 120,000 white inhabitants, employing about 40,000 tons of shipping in their foreign and coasting trades, making above 600 sail of one kind and another, about one-half of which traded to Europe. " Their fisheries," he adds, " have been reckoned annually to produce 230,000 quintals of dried fish, which, being sent to Portugal, Spain, and up the Mediterranean, yield twelve shillings per quintal, being 138,000*l.* sterling. . . . By this fishery they are said to employ at least 600,000 seamen ; and, adding to the above sum the freight and commission, all earned by our own people, and reckoned at one-third more, the whole will be 172,500*l.*, all remitted to Great Britain." To this was to be added their whale-fishery, employing about 1300 tons of shipping. They also sent to England

great quantities of provisions, lumber, and the other descriptions of produce already enumerated as forming the exports of Pennsylvania; and many of their ships were loaded directly from the sugar islands for this country. "From New England, also," continues the account, "we have the largest masts in the world for our royal navy. From thence also, as from our other continent colonies, we receive all the gold and silver that they can spare; for we give them in exchange all manner of wearing apparel, woollen, brass, and linen manufactures, East Indian goods, &c., in all, to the value of 400,000*l.* yearly." Of the southern colonies, Virginia and Maryland are described as together sending over annually to Great Britain 50,000 hogsheads of tobacco, one with another of the weight of 600 lbs.; the value of which, at 2*d.* per pound, would be 375,000*l.* The shipping employed to bring home this tobacco is reckoned to amount to at least 24,000 tons, in by far the greater part English-built, and always fitted out and repaired in England—though, it seems to be implied, owned by the colonists. From these provinces also we received annually about 6000*l.* worth of skins and furs; they produced, moreover, excellent flax, and wool equal to the best grown in England; and there were already at least one iron-work in Virginia and another in Maryland. But, of all our American colonies, the one perhaps of the most visibly rising importance was that of Carolina. This author relates how the cultivation of rice originated in that province about the beginning of this century:—"A brigantine from the isle of Madagascar happened to put in at Carolina, having a little seed-rice left, which the captain gave to a gentleman of the name of Woodward. From part of this he had a very good crop, but was ignorant for some years how to clean it. It was soon dispersed over the province, and by frequent experiments and observations they found out ways of producing and manufacturing it to such great perfection that it is thought to exceed any other in value. The writer of this hath seen the said captain in Carolina, where he received a handsome gratuity from the gentlemen of that country,

in acknowledgment of the service he had done that province. It is likewise reported that Mr. Dubois, then treasurer of the East India Company, did send to that country a small bag of seed-rice some short time after, from whence it is reasonable enough to suppose come those two sorts of that commodity—the one called red rice, in contradistinction to the white, from the redness of the inner husk or rind of this sort, although they both clean and become white alike." Before the year 1733 the Carolina rice exported to Spain and Portugal had nearly put a stop to the purchase of the article by those two countries from Venice and other parts of Italy. In that year the total exportation of rice from Carolina was 36,584 barrels, besides which the province also exported 2802 barrels of pitch, 848 of turpentine, 60 tons of lignum vita, 20 of Brasiletto wood, 27 of sassafras, 8 chests of skins, and a quantity of lumber, pork, peas, beef, and Indian corn. "This colony," adds Anderson, "is continually increasing by the encouragement they give to new comers, both British and foreigners."* By the year 1739 we find its exportation of rice raised to 71,484 barrels, and, among various additions to its other exports, above 200,000 feet of pine and cypress timber, and a small quantity of potatoes. The vessels that cleared out from the province this year were 238 of all sorts. The next year its exportation of rice amounted to 91,110 barrels. A few years after this the Carolina planters, finding they were overstocking the European market with their rice, began the cultivation of indigo, which had formerly been extensively grown in Jamaica and the other sugar islands. In 1747 about 200,000 lbs. of indigo was sent from Carolina to England, which had been heretofore wont to pay about 200,000*l.* a year to France for that article. Parliament the following year granted a bounty of sixpence per cwt. on all indigo raised in any of our American colonies, and imported into Britain directly from the place of its growth; and, aided by this encouragement, the cultivation of the plant continued to be prosecuted in Carolina with considerable success,

* Chron. of Com., iii. 201.

so that by the end of the present period the quantity annually exported from the province amounted to about 400,000 lbs. In the year 1732 a new colony was established on the unoccupied territory between Carolina and the Spanish possession of Florida, by a society of gentlemen, headed by General Oglethorpe, whose primary object was to provide by this means a place of settlement for destitute debtors after their liberation from gaol, and for foreign protestants who might be desirous of emigrating to a settlement where they would have the free exercise of their religion. A charter was granted by the crown establishing the independence of the new province, which was named Georgia, in honour of his majesty. The trustees immediately erected two towns, Savannah and Frederica ; planted a nursery of white mulberry-trees, with a view to the production of silk ; and imported a number of natives of Piedmont to tend the worms, as well as other foreigners to dress and improve by cultivation the vines which grew wild in the country in great abundance. " Yet," adds Anderson, " by having several idle drones, drunkards, and determined rogues, the prosperity of this colony was at first much retarded, as it was also by frequent alarms from the Spaniards, and, it must be confessed, in part also by an ill-judged though well-meant Utopian scheme for limiting the tenure of lands and for the exclusion of negro slaves ; both which mistakes have since been rectified."* The rearing of the silkworm was gradually extended both in Georgia and Carolina ; so that before the end of the present period the quantity of raw silk produced in Georgia exceeded ten thousand pounds weight annually.†

The growing strength and importance of these continental settlements, however, was regarded with a jealous eye by the elder sugar colonies in their neighbourhood ; and so early as the year 1715 loud complaints began to be made by the planters of Jamaica and the other West India islands of what they considered as the illegal traffic that was springing up between them and the French and

* Chron. of Com., iii. 189.

† Id. 309.

Dutch dependencies in that quarter of the world, which they supplied, as we have seen, to a considerable extent, both with agricultural produce and with shipping, and from which they were themselves furnished in return with sugar, rum, and other articles of which the English islands maintained that they had by law a monopoly in regard to all the dominions of the mother country. The dispute produced several publications on both sides—among others, that entitled “The Importance of the Plantations,” noticed above; and at last, in 1731, a bill was brought into Parliament, which passed the Commons, absolutely prohibiting, under forfeiture of ship as well as cargo, the importation into any part of English America of sugar, rum, or molasses grown in the plantations of any foreign power. This bill was allowed to drop in the House of Lords; but, two years after, the matter was settled by an act “for the better securing and encouraging the trade of his majesty’s sugar colonies in America,” which, while it granted a drawback upon the re-exportation from Great Britain of West India sugar, imposed certain duties upon the importation into the American settlements of the produce of the foreign plantations.* According to the preamble of the act our West India islands were at this time far from being in a thriving condition: their welfare and prosperity are asserted to be of the greatest consequence and importance to the trade, navigation, and strength of the kingdom; but of late years, it is added, the planters had fallen under such great discouragements as to be “unable to improve or carry on the sugar-trade upon an equal footing with the foreign sugar colonies without some advantage and relief be given to them from Great Britain.” From an account of our West India Islands laid before the House of Lords by the Board of Trade in 1734, we learn various particulars of their trade and general condition. All our sugar islands together were reckoned to produce annually, on an average, 85,000 hogsheads, or 1,200,000 cwt., of sugar; “of which,” adds Anderson, in his comment on the report, “Great Britain was thought to con-

* Stat. 6 Geo. II. c. 13.

sume annually 70,000 hogsheads, or 94,080,000 pounds of sugar ; which, for 10,000,000 of people, if so many there be in Britain, comes to nine pounds and a-half of sugar to each person ; or, if but 8,000,000 of people, then about eleven pounds and a-half of sugar to each person ; and, as there are undoubtedly about 2,000,000 and upwards of people in Ireland, we may omit them in this computation, as there may probably be near that number in all the British dominions who use little or no sugar at all." In the present day, we may mention, our consumption of sugar is upwards of 400,000,000 of pounds, or between four and five times what it was a century ago. At that time it was computed that the shipping that went annually from Great Britain to the sugar islands amounted to about 300 sail, navigated by 4500 seamen ; and that the value of the British manufactures annually exported thither was about 240,000*l.* On an average of the four years ending with 1732, our annual exports to Jamaica amounted to 147,675*l.* in value, and our imports thence to 530,499*l.* At this time the number of the white inhabitants of Jamaica was only 7644, which was much less than it had formerly been. "The diminution of the white people of Jamaica," Anderson observes, "was owing to the great decay of their private or illicit trade to the Spanish main ; that trade having drawn thither many white people, who were wont to get rich in a few years, and then return to their mother country, and the Spanish money they got in Jamaica did at length centre in England. From Jamaica our said people privately carried all sorts of our manufactures, &c., to New Spain, which it is well known can only be legally carried thither by the flota and flotilla from Old Spain : they also carried thither great numbers of negroes." Barbadoes had a white population of 18,295 ; that of our Leeward Islands, consisting of St. Christopher's, Antigua, Nevis, and Montserrat, with their dependencies, Barbuda, Anguilla, Spanish Town (or Virgin Gorda), Tortola, and the rest of the Virgin Islands, was 10,262 ; that of Providence, the only one of the Bahamas that could yet be said to be peopled, was 500 ; and that of the Bermudas, 5000.

Besides sugar and rum, considerable quantities of cotton, indigo, ginger, pimento, and cocoa were exported from Jamaica and some of the other islands ; and the cultivation of coffee which had been grown in the Dutch continental settlements of Surinam since 1718, was introduced a few years after into the French and Spanish, and also into our own West India plantations. From Jamaica, as is well known, we now derive a large portion of our supply of this article.

During the latter portion of this period the affairs, and it may be said the essential character, of the East India Company underwent a complete revolution, under the influence of circumstances and events of which it is not here necessary to enter into any detail. The destruction of the authority of the Mogul emperor by the invasion of Thamas Kouli Khan in 1739, and the consequent assumption of a practical independence, though still veiled under the old forms of vassalage, by the nabobs and other provincial Mahometan governors, had, in the course of the war which terminated in 1748, involved the agents of the French and English companies, as partisans of opposing competitors for various of the petty thrones which had thus arisen, in as fierce hostilities as were carried on by their respective countries in Europe or in any other part of the globe ; nor did the peace of Aix-la-Chapelle, which gave some years of repose to the swords of the combatants in the West, allay for more than a moment these oriental feuds, which had again burst into flame, and embroiled the two companies as furiously as ever, long before arms were again taken up by the two nations. It does not belong to our present subject to follow the course of the memorable contest that now arose, in which the brilliant successes of Clive at the same time levelled with the ground the already formidable fabric of political power which France was erecting in India, and elevated his own employers from a trading company to be the rulers of an empire. What we are *here concerned* with are merely the results of these great changes upon the position and circumstances of the Company. The factory at Calcutta, which had been pre-

viously subordinate to Madras, had been declared an independent presidency so early as the year 1707 ; and in 1717 a firman granted by the Mogul had exempted the Company's trade from duties, and permitted them to purchase and hold possession of land in the neighbourhood of their several factories. In 1726 a charter obtained from the crown authorised the establishment of courts of justice at Madras, Bombay, and Calcutta, for the trial of all causes, civil and criminal, high treason only excepted. In 1746 the French took Madras, which however was restored two years after on the termination of the war. In 1749 the Company obtained possession of the town and district of Devicotah, in Tanjore, by a negociation with the rajah of that country, after they had unsuccessfully attempted to depose him at the solicitation of his half-brother, from whom he had shortly before wrested the crown—a transaction which may be regarded as the first in which they openly took part in the politics of India, and as that which laid the foundation of their subsequent military power. Clive's operations range from the year 1751 to the end of the present period, in the course of which space of time Calcutta was taken by Surajah-ul-Dowlah, the subahdar of Bengal, in June 1756, but retaken in January following ; the French settlement of Chandernagore was captured in March 1757 ; the power of Surajah-ul-Dowlah was overthrown at the battle of Plassy, in June, that same year ; and before the end of the year 1760 every fort and factory belonging to the French had fallen into the hands of their rivals, except Pondicherry, which also surrendered in January, 1761. All this time, however, while the Company was making such advances in the acquisition of political power and even of territorial possessions, no great increase appears to have taken place in its trade. On the average of the eight years ending with 1741 the value of the British produce and goods of all sorts annually exported to India and China was no more than 147,944*l.*; and on that of the seven years ending with 1748 it had only increased to 188,176*l.* The average annual export of bullion during the last seven years was 548,711*l.* For some years after this there was a con-

siderable rise in the amount exported both of goods and of bullion. Thus in 1749 the value of the goods was 275,890*l.*, of the bullion 909,136*l.*; in 1750, of the goods 305,068*l.*, of the bullion, 816,310*l.*; in 1751 of the goods 341,633*l.*, of the bullion 944,471*l.*; in 1752, of the goods 410,968*l.*, of the bullion 840,417*l.*; in 1753, of the goods 418,015*l.*, of the bullion 951,951*l.*—making together 1,369,966*l.*, which was the largest amount to which the total exports rose within the present period. From this date there was, with the exception of one or two years, a great decline in the amount of the bullion, and some falling off also in that of the goods; so that in 1755 the value of the goods was only 245,030*l.* and that of the bullion 625,485*l.*; in 1758, of the goods 358,949*l.*, of the bullion 174,099*l.*; in 1759, of the goods 366,974*l.*, of the bullion 144,160*l.*,—making together only 511,134*l.*, which was a lower point than the total amount of exports had descended to since 1715. In 1760 the value of the goods exported was 520,719*l.*, but the amount of bullion was only 91,924*l.* The number of ships annually sent out usually ranged from sixteen to twenty; some few times it was twenty-two or twenty-four, but in other years it was only fourteen. Of the Company's imports the chief article in which there appears to have been a steady increase was tea: of that the home consumption gradually rose from 141,995 lbs. in 1711, to 287,994 lbs. in 1720, to 537,016 lbs. in 1730, to 1,380,199 lbs. in 1735, to 2,209,183 lbs. in 1745, and to 2,738,136 lbs. in 1755. In 1760 it appears to have fallen to 2,293,613 lbs.; but that proved only a temporary check. Perhaps it would not be easy to find a better evidence of the advancing refinement as well as comfort of the great body of the people than is furnished by this steadily extending preference for what may be called the temperate man's wine—"the cup that cheers but not inebrates."

The active spirit of the national industry, and the growth of our trade and manufactures, throughout the greater part of the present period, were shown by nothing more remarkably than by the continued extension of the metropolis and most of our other long established centres

of population, and the rapid rise of several places formerly of inconsiderable magnitude to the rank of great towns. In London no fewer than eight new parishes were erected between the Revolution and the end of the reign of George II. :—in 1694 that of St. John, in Wapping ; in 1729 that of Christ Church, Spitalfields, and that of St. George in the East ; in 1730 that of St. George, Bloomsbury, and that of St. Anne, Limehouse ; in 1732 that of St. John, Southwark, and that of St. Luke, in Old-street ; and in 1743 that of St. Matthew, Bethnal Green. The act for the building of fifty new churches passed in 1710, the establishment of the Chelsea Water Company in 1721, and the building of Westminster Bridge, begun in 1739, and finished in 1750, are all further indications of the expansion of this mighty heart of our social system. Bristol, Hull, Liverpool, Manchester, Birmingham, Sheffield, Leeds, Frome, Edinburgh, Glasgow, and Dublin, had also each derived a large accession of population, some of them to the extent of several times the numbers they contained at the commencement of the period, either from the increase of trade and manufactures, or from that diffusion of luxury which is one of the common and natural consequences of commercial prosperity. Yet the spirit of improvement was still in a great measure confined to our cities and towns. In the country even the basis and first essential of a good economical system was still very deficient or altogether wanting ; although turnpikes had been introduced soon after the Restoration, and in the reign of George II. it was made a felony to pull them down, our highways still continued to be generally kept in repair merely by the compulsory labour of the parish paupers, and even so late as 1754 we are told the traveller seldom saw a turnpike for two hundred miles after leaving the vicinity of London. Most of our great roads consequently still remained nearly in their ancient condition to the end of the present period.*

We must not close the commercial history of this period without adverting for a moment to the progress of

* Chalmers, *Estimate*, p. 125.

the new science of political economy, some of the earlier cultivators of which we noticed in the last Chapter. The most remarkable work upon this science that had yet appeared was produced in 1691, on occasion of the proposed recoinage of the silver money, by Sir Dudley North, under the title of "Discourses upon Trade, principally directed to the cases of Interest, Coinage, Clipping, and Increase of Money." The immediate object of the work was to oppose the government plan (which was that ultimately adopted) of throwing the loss arising from the clipped money upon the public; and Sir Dudley's brother and biographer, Roger North, hints that means were taken to suppress it:—"it is certain," he says, "the pamphlet is, and hath been ever since, utterly sunk, and a copy not to be had for money."^{*} But the author sought to establish his conclusions by the most rigorous and methodical deduction, and his Discourses accordingly presented a statement and elucidation of all the leading principles of commercial and economical science. "He is throughout," says a distinguished modern writer upon these subjects, "the intelligent and consistent advocate of commercial freedom. He is not, like the most eminent of his predecessors, well informed on one subject and erroneous on another. His system is consentaneous in its parts, and complete. He shows that in commercial matters nations have the same interests as individuals, and forcibly exposes the absurdity of supposing that any trade which is advantageous to the merchant can be injurious to the public. His opinions respecting the imposition of a seignorage on the coinage of money, and the expediency of sumptuary laws, then very popular, are equally enlightened."[†] One or two of the general propositions which Sir Dudley lays down will show how perfectly untrammelled he was by the

* Lives, iii. 172.

† *Principles of Political Economy*, by J. R. M'Culloch, Esq., p. 43. Mr. M'Culloch, we believe, was fortunate enough to recover a few years ago the only known copy of the original edition of Sir Dudley North's tract. A small impression has been since privately printed from that copy.

prevailing prejudices and false notions of his day:—“That there can be no trade unprofitable to the public; for, if any prove so, men leave it off; and wherever the traders thrive, the public, of which they are a part, thrive also:—That money is a merchandize, whereof there may be a glut as well as a scarcity, and that even to an inconvenience:—That a people cannot want money to serve the ordinary dealing, and more than enough they will not have:—That no man will be the richer for the making much money, nor have any part of it, but as he buys it for an equivalent price.”* Other writers who immediately followed North, and who all also promulgated some sound principles, though no one of them perhaps with the same complete elevation above the false or imperfect views of the time, were John Locke, in his “Considerations on the Lowering of Interest and Raising the Value of Money,” published in 1691, and his “Further Considerations on raising the Value of Money,” 1695; Nicholas Barbon, in a Discourse concerning Coining the New Money lighter, published in 1696; and the anonymous author of a very remarkable pamphlet which appeared in 1701, entitled “Considerations on the East India Trade.” To a later part of the period belong Jacob Vanderlint’s tract entitled “Money answers all things,” 1734; Sir Matthew Decker’s very able “Essay on the Causes of the Decline of Foreign Trade,” 1744; Mr. Hume’s “Political Essays,” 1752; and Harris’s “Essay on Coins,” 1757, the views in which are chiefly systematized from the previous disquisitions of Locke and Hume, but which has been described as perhaps the best work, upon the whole, on the subject of money antecedent to the Wealth of Nations.†

The Money of this period will not detain us long. The gold coins of William and Mary are five-pound pieces, forty-shilling pieces, guineas, and half-guineas; the

* Quoted by Mr. M'Culloch, *ut supra*.

† Article on Political Economy, by Mr. M'Culloch, in Supplement to Encyclopaedia Britannica; to which treatise, and to the same writer’s Principles of Political Economy, we are indebted for the substance of the above notices.

silver, all the usual pieces, from crowns down to pennies, On both the gold and silver money are the heads of their majesties in profile, both looking to the left, the queen's half-covered by the king's, which is outermost. Some tin halfpence and farthings were coined in 1690 ; but, being frequently counterfeited, they were replaced by a copper coinage of these descriptions of money in 1694. We have already given an account of the calling in of the old silver money, and its recoinage, in 1696. Each of the new coins has immediately under the king's head the initial letter of the name of the town where it was struck. The Scotch coins of William and Mary have their heads turned to the right. Their only Irish coins are half-pence and farthings, of copper, brass, and pewter. The escutcheon in the centre of the royal arms on the money of this reign is that of Nassau.

The gold and silver money of Anne consists of the same pieces as that of her predecessor. She likewise coined a few copper halfpence and farthings, the latter dated in 1713 and 1714, and now very rare. "Upon the Union of the two kingdoms of England and Scotland," says Leake, "the arms being altered, the same was observed upon all the money coined afterwards ; the arms of England and Scotland being impaled in the first and bottom shields, France in the sinister, and Ireland in the dexter, according to this left-handed rotation, which, however irregular and absurd, has prevailed ever since the first milled money."* For some time after the Union a mint was kept up at Edinburgh, at which silver money was coined of the same stamp with that coined in London, but distinguished by an E, for Edinburgh, under the queen's head.

The coins of Geo. I. are remarkable as being the first on which the letters F.D. (for *Fidei Defensor*) appear. They have also his majesty's electoral titles on the reverse ; and in the arms Ireland is placed on the bottom shield, and in the dexter (where those of Ireland used to be) are the arms of his majesty's German dominions. In this reign, in the year 1717, on the representation of the

* Historical Account of English Money, p. 405.

House of Commons, that the over valuation of gold in the current coins of the realm had produced a great and infinite diminution and scarcity of silver specie, it was ordered by royal proclamation that the guinea, which had for some time past been current at 21*s.* 6*d.* should for the future pass only for 21*s.*, and the other gold coins at proportionate rates. In 1718 there were issued, for the first time, some quarter-guineas ; but they were found too diminutive for use, and no more of them were coined within the present period. Of the famous Irish copper money coined by Wood in 1722 and 1723 the halfpence and the farthings of 1723, have on the reverse Ireland represented under the figure of a woman in profile, sitting, with a palm-branch in her right hand, and resting her left upon a harp, with the legend HIBERNIA : the figure on the farthing of 1722 is slightly different. "These," says Leake, "were undoubtedly the best copper money ever made for Ireland, considerably exceeding those of King Charles II., King James II., and King William and Queen Mary, in weight, goodness, fineness, and value of the copper." They were also much handsomer than the contemporary English farthings and halfpence, the king's head being in particular much better executed, as well as having more resemblance to his majesty. The violent opposition raised against them, although not one of the allegations on which it professed to be founded was ever either proved or attempted to be proved, compelled the crown to issue an order, in August, 1724, that only as many of the halfpence and farthings as had then been issued, amounting in value to about 17,000*l.*, and as many more as should make up that amount to 40,000*l.*, should be put into circulation. The amount for which the patent had been granted was only 100,800*l.* Before this it is stated that the Irish, in their want of small money, were wont to make use of counterfeit coins called *Raps*, of such base metal that what passed for a halfpenny was not worth half a farthing, and persons employing many workmen were obliged to pay them their wages with tallies, or tokens in cards.

Silver groats, threepenny, twopenny, and even penny

pieces continued to be coined in the reign of George II. Upon the gold coins of this reign, the arms, Leake observes, are properly disposed in one shield crowned, instead of being misplaced in four shields, as had been done upon all the milled money since the Restoration, some few coins of William and Mary excepted. At the commencement of the reign a great deal of the old hammered gold money of James I., Charles I., and Charles II. was still current under the name of broad-pieces, half broad-pieces, and quarter broad-pieces, much of which was greatly diminished either by wear, or by clipping and filing ; but in 1732 all this old money was called in, and paid for at the Mint at the rate of 81s. per ounce ; after which it was declared no longer current. In one of George II.'s halfpennies of 1730 an extraordinary blunder occurs, the omission of the R in his majesty's name. Foreign gold coins still continued to form a great part of our currency in this reign, much to the general inconvenience. Leake, writing in 1745, gives a deplorable account, also, of the state to which the silver money was already reduced, although most of it was not yet fifteen years old. " We have not, indeed," he says, " had any clipping, as formerly, for that is impracticable upon the milled money : but time has diminished it in a manner equivalent to clipping. Our sixpences are, many of them, worn to groats, and some shillings are not much better in proportion. The half-crowns are not so bad, but then they are not so common ; the latter ones, since King William, being most of them melted or transported ; an crown seems to have answered no other end ; they disappear as soon as coined, and indeed are too burdensome for common use, two half-crowns better answering the purpose."*

* Historical Account of English Money, p. 427.

END OF VOL. II.

THE HISTORY
OF
BRITISH COMMERCE.

From the Earliest Times.

REPRINTED FROM
THE PICTORIAL HISTORY OF ENGLAND;
WITH CORRECTIONS, ADDITIONS,
AND A CONTINUATION TO THE PRESENT DAY.

By GEO. L. CRAIK, M.A.

IN THREE VOLUMES.—VOL. III.

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C O N T E N T S.

CHAPTER X.

	<i>Page</i>
The first Quarter of a Century of the Reign of George III. A.D. 1760—1785	9

CHAPTER XI.

From the Termination of the Contest with America to the Peace of Amiens. A.D. 1784—1801	82
---	----

CHAPTER XII.

The Present Century	187
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HISTORY
OF
BRITISH COMMERCE.

CHAPTER X.

THE FIRST QUARTER OF A CENTURY OF THE REIGN OF
GEORGE III. A.D. 1760—1785.

OUR modern system both of manufactures and trade, in most of its leading branches, may be regarded as taking its rise from the commencing portion of the reign of George III. Indeed, in our national history, generally, in our political as well as in our social system, what precedes that reign is, for the most part, for us of the present hour a yesterday which has run its course. Yet, in the progress of our industry as well as of our politics, the quarter of a century we are about to review was but the dawn of the busy day in the full light of which we now live and move.

The war with France and Austria, commonly called the Seven Years' War, lasted for little more than two years after the accession of George III., on the 25th of October, 1760; the preliminaries of peace having been signed at Fontainebleau on the 3rd of November, 1762. And, notwithstanding the accession of Spain to the family confederacy against England ten or twelve months before the termination of hostilities, the course of success in our military operations both by sea and land, in the midst of which the late king died, was kept up with little abatement to the end of the contest. Nor had the war at any time, except very slightly during the first year or two, checked the progress of our foreign trade; at least, the annual value of our exports had continued to increase

every year from 1757 to the end of the reign of George II.; and so also had the tonnage of the ships cleared outwards, although that item had not even by the end of the year 1760 quite recovered the amount at which it stood ten years before. The increase both of exports and of shipping went on for the first year after the accession of George III.; the estimated official value of the exports from the whole of Britain for 1760 having been 15,781,175*l.* (including 1,086,205*l.* from Scotland); and for 1761, 16,038,913*l.* (including 1,165,722*l.* from Scotland); and the tonnage of ships cleared outwards, which in 1760 had been 647,478 tons (including 107,237 foreign), having in 1761 become 704,755 (including 122,735 foreign). In 1762 the war with Spain seems to have had a depressing effect in some small degree; the value of the exports having fallen that year to 14,543,336*l.* (including 998,165*l.* from Scotland); and the tonnage of ships cleared outwards to 668,370 tons (including 124,926 foreign.* But this slight falling off was soon recovered from.

To obtain a general view of our foreign trade at the commencement of the reign of George III. we may turn to the official account of the exports and imports for the year 1761. In that year, as we have seen, the estimated official value of our exports to all parts of the world was 16,038,913*l.*: that of our imports was 10,292,541*l.* In these sums are included exports to Ireland to the value of 1,642,396*l.* and imports thence to that of 955,796*l.*; exports to Guernsey and the other Channel Islands, 54,558*l.*, and imports thence, 91,560*l.*; an inconsiderable trade between Scotland and the Isle of Man; an export of British and Irish linens on bounty to various countries, to the amount of 154,550*l.*; and prize goods exported, 195,164*l.*; imported, 248,702*l.* The European coun-

* We take these figures from the "Chronological Account of Commerce," inserted opposite to p. 315 of Chalmers's "Estimate of the Comparative Strength of Great Britain," edition of 1812. They include, it will be observed, the clearances and exports from Scotland as well as from England. The statement given in last Chapter, vol. ii, p. 202, refers to England only.

tries with which the greatest trade was at this time carried on were Holland, the value of our exports to which was 2,682,165*l.*, and that of our imports thence, 524,109*l.*; Germany, to which we exported to the value of 2,381,998*l.*, importing thence to that of 716,746*l.*; Portugal, to which our exports amounted to 1,266,171*l.*, and our imports thence to 250,167*l.*; and Italy, to which we sent goods to the value of 203,635*l.*, receiving back others to that of 761,916*l.*; besides sending to the value of 389,577*l.* to the Mediterranean or the Straits, and bringing back thence to the value of 103,628*l.* There was also a small trade, principally export, with Madeira and the Canaries. To Flanders we exported at this time to the amount of 425,130*l.*, but the value of our imports from that country was only 30,546*l.* To Russia, on the contrary, our exports amounted only to 47,718*l.*; but we imported thence to the value of 848,185*l.* There was also a small trade carried on from Scotland with Poland and Prussia, principally import; and from England there was a trade with the East Country, under which name we are probably to consider both Prussia and Poland to be comprehended, consisting of exports thither to the value of 202,254*l.*, and imports thence to that of 133,536*l.* Our exports to Denmark and Norway were 155,240*l.*, our imports from those countries 103,663*l.*; our exports to Sweden 26,126*l.*, our imports thence 298,750*l.* With Turkey we carried on an export trade to the amount of 54,282*l.*, and one of imports to that of 163,366*l.* With France our commercial intercourse was of course at this date still more limited than usual; the value of our exports to that country is set down in the account at 177,393*l.* (of which 102,951*l.* consisted of exports from Scotland), that of our imports thence at only 480*l.* There was a small trade with some other places—with Greenland, with Iceland, with Venice, to which last our exports amounted to 26,367*l.*, and our imports thence to 15,229*l.*; and a sum of 54,576*l.* is set down under the head of exports to Belle-isle, being, we suppose, the cost of the warlike stores expended in the capture of that island: The value of our exports to the

East Indies is estimated at 845,797*l.*; that of our imports thence at 840,987*l.* And to Africa we sent 327,007*l.* worth of goods, bringing back produce to the value of 12,201*l.* But even already, by far our largest trade was that which we carried on with our own possessions and colonies across the Atlantic. The total official value of our exports to North America and the West Indies in 1761 was 3,330,371*l.*; and that of our imports thence, 3,726,261*l.* Of the exports to the value of 304,527*l.* of the imports to that of 379,662*l.* (about a tenth part in either case), is set down to the share of Scotland: the English exports and imports are distributed as follows:— to Hudson's Bay, Newfoundland, Cape Breton, Quebec, and Nova Scotia, exports 349,524*l.*; imports thence, 50,689*l.* (the exports to Quebec alone being 226,292*l.*, while the imports thence are only 14,015*l.*): to New England, New York, and Pennsylvania, exports 827,863*l.*; imports thence, 134,043*l.*: to Virginia, Maryland, Carolina, and Georgia, exports, 824,218*l.*; imports thence, 713,850*l.*: to Jamaica, exports, 441,618*l.*; imports thence, 932,197*l.*: to Guadaloupe, exports, 131,942*l.*; imports thence, 482,179*l.*: to St. Christopher's, exports, 134,069*l.*; imports thence, 294,850*l.*: to Barbadoes, exports, 215,479*l.*; imports thence, 253,900*l.*: to Antigua, exports, 108,244*l.*; imports thence, 280,869*l.*: and to the remaining West India Islands—Bermuda, Montserrat, Nevis, New Providence, St. Croix, St. Thomas, Tortola, Monte Christi, and St. Eustathius—exports, 56,803*l.*; imports thence, 203,319*l.* (the excess of imports being chiefly from Montserrat, Nevis, and Tortola). On the whole, therefore, it appears that at this time North America (including the West India Islands), Ireland, the East Indies, Italy, Germany, Russia, Holland, and Spain, were, in that order, the countries from which our largest imports were drawn; and that our chief export trade was to America, Holland, Germany, Ireland, Spain, Russia, the East Indies, Flanders, and Africa.

The considerations, now familiar to all thinkers on *such subjects*, which show how purely imaginary and *absurd* was the notion, long generally entertained, that any

particular foreign trade was profitable or the reverse simply according to whether the money-value of the exports exceeded or fell short of that of the imports, need not be further adverted to. But, without reference to this question, it may be right to explain that the official statement of the value of exports and imports is, for various reasons, far from affording a perfectly clear or complete view of the actual condition of our foreign commerce. In the first place, the prices according to which what are called the official values are calculated are those originally fixed when the office of inspector-general of imports and exports was instituted in 1697 ; so that the sums of money in the table do not really indicate either the value or the quality, but only the quantity, of the goods brought into and sent out of the country. For instance, Irish linens are all rated at only 8d. a-yard, which is believed to have been little more than half their actual average price at the beginning of the reign of George III. Money, again, is not entered at all, neither cash nor bills of exchange.* Of course the account takes no cognizance of goods imported or exported clandestinely, or without the payment of the duty. On the other hand, it includes among the exports all articles sent abroad for the use of the army in any part of the world, and also all cargoes which were lost at sea or captured. Further, the exports in some cases are not sent directly to the country for which they are finally destined, nor do the returns always find their way back to the country of which the article imported was the produce. "Thus," observes Macpherson, writing about the beginning of the present century, "the wines of Madeira are sent to the British settlements in the East and West Indies ; and, even if intended for Britain, are often carried by the circuitous route of those distant regions before they are brought home. The bulk of the cargoes from Africa

* Till the year 1765, however, gold and silver carried abroad used to be entered in the custom-house books under the head of exports, as foreign gold and bullion. This item is omitted in the abstract of the account for the year 1761, given in the text, as it has been in the original accounts since 1764, and as the money imported always was.

consists of the miserable natives, who are sold in the West Indies; and the proceeds are generally remitted to Great Britain in bills of exchange, which do not appear at all in the custom-house books. And in like manner most of the cargoes carried from Newfoundland and the adjacent countries consist of fish, which never come to Great Britain, but are sold in Spain, Portugal, and other Roman Catholic countries, and their proceeds also brought home in bills of exchange."* It was not till the year 1798 that an account began to be taken at the custom-house of the real value of cargoes, founded on the declarations of the owners.

The trade with Ireland, it will be observed, was reckoned a foreign trade at the time of which we are now speaking, as indeed it continued to be down to our own day. The general trade of Ireland, notwithstanding many restrictions, designed for the benefit of the English producer and manufacturer, had been steadily increasing ever since the Revolution, and was three or four times as great at the accession of George III. as it had been at the commencement of the century. For the ten years ending with 1710, the average annual value of the imports of Ireland was 513,657*l.*, of the exports 553,023*l.*; for the next ten years, ending with 1720, the average of the imports was 852,905*l.*, of the exports 1,126,670*l.*; from 1720 to 1730 the annual imports were 856,936*l.*, the exports 1,019,809*l.*; from 1730 to 1740, the imports were at the rate of 885,044*l.*, the exports at that of 1,190,258*l.*; from 1740 to 1750 the imports were 1,123,373*l.*, the exports 1,485,110*l.*; and from 1750 to 1760 the imports averaged 1,594,164*l.*, the exports 2,002,354*l.* Of this trade very nearly two-thirds consisted of that carried on with Britain; the annual average of the imports from England and Scotland alone in the last decennary period having been 1,015,306*l.*, and that of the exports thither 1,274,569*l.*; leaving only 578,858*l.* for the imports from, and 727,784*l.* for the exports to, *all other parts of the world.* It appears from this state-

* Annals of Commerce, iii. 343. See also the above observations on the official tables of exports and imports illustrated at pp. 340—344.

ment that the export trade of Ireland, on the whole, considerably exceeded her import trade. The reverse was the case, however, in her trade with Norway, Denmark, Sweden, and the East Country. The import of claret from France also often exceeded the export of beef and pork to that country; and there was sometimes in like manner an excess of imports from Holland and Flanders.*

Of the conquests made by this country in the latter years of the war, Canada, which was retained at the peace, was one the possession of which immediately gave some extension to our trade. Soon after the acquisition of this vast region, large orders for furs began to be forwarded to England from Flanders, and even from Russia. In 1762 also, we are told, the produce of the newly captured island of Martinique imported into Great Britain exceeded that of any one of our other West India islands, with the exception only of Jamaica and Guadaloupe, the latter also a recent conquest from France; "and the returns of its commerce were more extensive than those of our trade with Denmark and Norway, with Sweden, or with Spain."† But both Martinique and Guadaloupe were restored to France at the peace. Grenada and its dependencies, however, were retained; and St. Vincent, Dominica, and Tobago were also ceded in full sovereignty to Great Britain. Of these last acquisitions, Dominica in particular soon became a possession of great value. In the East, Manilla and the other Philippine Islands were taken from Spain in the latter part of the year 1762; but they were given back at the peace, which was concluded before their capture had been heard of in Europe. The Havannah was also restored, after a considerable trade had been carried on with it during the short time it was in our hands.

Among our continental possessions in the New World, South Carolina continued to maintain the rate of progress in the cultivation and export of rice, indigo, and

* Lord Sheffield's Observations on the Manufactures, Trade, and Present State of Ireland. 3rd edit., 1792.

† Macpherson, Annals, iii. 353.

other produce, by which it had been distinguished for the preceding twenty or thirty years. The export of rice from this province, from November, 1760, to September, 1761, was 100,000 barrels, and that of indigo 399,366 lbs.; besides 236,850 staves, 29,600 hoops, 522,167 shingles, and 466,186 feet of other timber, boards, &c.; and some small quantities of pitch, tar, turpentine, oranges, pork, Indian corn, deer-skins, tanned leather, and other produce. Even the recently founded colony of Georgia sent home to the mother country, in the year 1762, 7460 barrels of rice, 9633 lbs. of indigo, 359,002 pieces of staves and heading, 10,500 hoops, 688,045 shingles, and 417,449 pieces of pine timber. Yet Macpherson remarks that the whole goods then exported in a year from Georgia to Great Britain were not equal in value to the quantity of cotton which at the end of the century sometimes arrived from that country in one consignment to a single London merchant.*

Another American region with which we now carried on a small trade was the Mosquito shore, on the east coast of the isthmus between the two continents. "From the year 1759 to 1762," it is stated, "the Mosquito shore was inhabited by 203 white people (the detachment of 30 soldiers included), with 189 free mestees† and mulattoes, about 3000 Mosquito Indians, and 914 negro slaves; in all 4306 souls, besides the friendly Indians on the back part of the country. The imports of British commodities, on an average amounting to 18,500*l.* a-year, and the exports to 30,792*l.*, employed 1150 tons of shipping and 115 seamen."‡ The exports from this coast, besides great quantities of turtle-shell, were mahogany, sarsaparilla, silk-grass, honey, bees-

* Annals, iii. 364.

† A mestee is, strictly, the issue of a mulatto and a white who is three quarters white and one quarter negro. The term, however, is used for any person of mixed breed, whether the produce of a white and an Indian or of a white and a negro.

‡ Report of Mr. Jones to the Governor of Jamaica, quoted by Macpherson, Annals, iii. 354.

wax, deer and leopard skins, hammocks of cotton and silk-grass, and cotton cloths called cavalleys for covering beds and tables, which the Indians fabricated of considerable fineness of texture, and dyed with stripes and figures of various colours. This was a new kind of industry among the honest Mosquito Indians, who in Dampier's time, eighty years before, were without manufactures of any kind, employing themselves only in catching turtle and cultivating a few yams and potatoes.*

The lottery of the whale-fishery, notwithstanding the little success with which the trade had been prosecuted for many years, still continued to attract adventurers; but in 1762 sixteen English ships brought home only nine fish, and fourteen from Scotland no more than five. Of the English whalers, seven belonged to London, four to Newcastle, two to Hull, two to Liverpool, and one to Exeter; of the Scotch, Dunbar owned three, Dundee, Borrowstowners, and Anstruther each two, and Leith and Aberdeen one each. This same year one hundred and fifty-four Dutch ships caught only forty-three fish. Efforts, however, began about this time to be made with some success by British enterprise to secure a greater share of the fishery on our own northern coasts, which the Dutch had for a long time nearly monopolized. In 1761 the Dutch had one hundred and fifty-two vessels employed in their herring-fishery on the coasts of Scotland and Shetland, besides one hundred and twenty-two in that on the coast of Iceland; while the Scots had only seventeen vessels, measuring seven hundred and forty-five tons, and carrying one hundred and seventy-four men. Yet this was the greatest outfit that had been made from Great Britain for many years. Next year, however, it is stated that the success of the British herring-fishery on the coast of Shetland exceeded that of the Dutch, and the British yaggers reached the first markets at Hamburg and Bremen, though the Dutch

* See Dampier's interesting description in his First Voyage, pp. 6 *et seq.*

vessels, as usual, still greatly exceeded ours in number.* An association for the prosecution of this branch of trade had been lately incorporated under the name of the Society of the Free British Fishery, in pursuance of an act of parliament passed in 1750, and several subsequent acts explaining and extending its provisions, by which also certain bounties had been granted upon the shipping employed in the trade. The subject had excited a great deal of interest ever since the peace of Aix-la-Chapelle. It was first brought forward in the House of Commons on the 8th of February, 1749, when a Committee was appointed, upon whose report it was soon after resolved by the House that the carrying on the British herring and cod fisheries would be of eminent advantage to the trade and navigation of the kingdom, and was an object highly worthy the consideration of parliament, and deserving proper encouragement. A bill was brought in pursuant to this resolution, which was read twice, but was lost by the prorogation of parliament before the day on which it was ordered to be committed. The affair, however, was resumed the following session,† having in the mean time been eagerly discussed out of doors in numberless pamphlets, as well as in all the magazines and newspapers. "Some facts," says Tindal, "were now laid before the parliament which exasperated the public more than ever against the Dutch. For the corporation of Southwold and the inhabitants of Lowestoff, both in Suffolk, and both places subsisting by the fishing-trade, informed the House by petition that the Dutch had, for about eight years past, fished so near the shore that their nets swept upon the ground, and thereby prevented the petitioners from fishing, as a hundred Dutch fishing vessels at a time have been anchoring in their bay in two or three fathoms water; and that, when the petitioners complained of their foul fishing, they threatened to

* Macpherson, Annals, iii. 357.

† But Anderson (iii. 275) and Macpherson (iii. 275) are mistaken in their assertion that the consideration of this subject was recommended in the king's speech on opening the session in November, 1749.

run over and sink their boats, or tear their nets. The petitioners from Lowestoff had the same complaints, but against the French as well as the Dutch." The minister, Mr. Pelham, although professing himself a friend to the object in regard to which the national expectation had been wrought to so high a pitch, apprehensive of the effect the petitions might have in exasperating the public feeling against the Dutch, endeavoured to ward off the discussion of the subject on the plea that it ought first to have been submitted to his majesty in council; but notwithstanding his opposition the petitions were referred to a committee, on whose report, presented by their chairman, General Oglethorpe, the bill, establishing the system of bounties, was ordered to be brought in, which was eventually passed into a law. "It is incredible," continues Tindal, "with what ardour the news of this bill passing was received by the public. It had been patronized and promoted by men of the greatest property and popularity in the kingdom; and Admiral Vernon, who at this time professed himself to be an enemy to the Dutch, made a voyage to Holland on purpose to make himself master of the manner of their carrying on the fisheries and curing their fish. The bill was no sooner passed than there was a general meeting of the persons named in the act of parliament for encouraging the British white-herring fishery, pursuant to an order of the lords of the treasury, the king being then abroad. At this meeting the Prince of Wales was chosen governor, Slingsby Bethel, Esq., president, and Stephen Theodore Janssen, Esq., vice-president, both of them aldermen of London. Thirty gentlemen, most of them members of parliament, at the same time were chosen as the council, and were approved of by the lords of the regency, to whom their names were presented in terms of the act of parliament. The charter for establishing them into a society being passed, the Prince of Wales was presented with it at Fishmongers' Hall, to which he went in great state, and [it was] accepted of by him as their governor." By a subsequent act, passed in 1757, the bounty on the shipping employed by the company was

increased from 30s. to 50s. per ton. It is admitted, however, by Anderson, that the success of the measure had not answered "the expectations of the worthy promoters of it;" and he contents himself with expressing a hope that further trials may prove more fortunate. But the opinion, in fact, soon began to be entertained that the system of an incorporated society was after all not the best for carrying on such a business as this. "It is, indeed," says Anderson, "extremely difficult to beat another nation out of a trade they have so long prospered in, even with the above great encouragement from the public, and more especially so frugal a people as the Dutch, who can content themselves with smaller gains than other nations, *and carry on the fishery every one on his own private bottom.*" Another bill was passed in 1762, "For the better supplying the cities of London and Westminster with Fresh Fish," founded upon a plan for bringing fish from the coast to the metropolis by land-carriage, which had been suggested by Mr. Tull, the son of the founder of the horse-hoeing system of husbandry, and for carrying which into effect a sum of 2000*l.* was advanced by the Society for the Encouragement of Arts, Manufactures, and Commerce. But this scheme also proved unsuccessful, Anderson tells us, "from the powerful, wealthy, and interested combination of the fishmongers to oppose it." Macpherson seems to state that even in his day the Dutch annually received from this country "the enormous sum of 100,000*l.* for the single article of turbot, and also large sums for other species of fish." "The Norwegians," he adds, "also carry off large sums for lobsters and crabs." *

The most important commercial consequence of the peace of 1763 was the nearly complete expulsion of the French and Spaniards from North America, through the cession of Canada by the former, and of Florida by the latter. "Though many islands," Macpherson also remarks, "taken from the enemy in the West Indies were restored, yet Great Britain retained at the peace a number

* *Annals*, iii. 348.

of newly acquired islands ; perhaps more than the population and capital of the mother country were capable to people and cultivate immediately without some inconvenience. The arrangements in Asia were very favourable to our East India Company. And in Africa we obtained the exclusive trade in gum Senegal, an article of great use in many manufactures. Nor was the increased demand which the settlement of the new tropical territories would occasion for negro slaves neglected by the advocates for the terms of the peace in enumerating the advantages resulting from it.”*

Soon after the peace a report was made to the king by the board of trade on the commercial advantages to be expected from our new territorial acquisitions, in which it was observed that, since the coasts of the river and gulf of St. Lawrence, and of the islands in the latter, from which we had been excluded by the treaty of Utrecht, had fallen into our hands, the capture of whales, sea-cows, seals, &c., had already come to be carried on by British subjects to a greater extent than it ever had been by the French. The islands of St. Pierre and Miquelon, however, which France retained, although they could never be made the seat of any considerable fishery openly carried on, might become the nests of a very injurious contraband trade, if not vigilantly watched. The extensive trade with the Esquimaux for oil and furs, hitherto enjoyed by the French, would now, it was further remarked, fall to be monopolized by us in consequence of the annexation of Labrador to the government of Newfoundland. The command of the great lakes communicating with the St. Lawrence had hitherto, it was asserted, been assumed by the French in violation of the express stipulations of the treaty of Utrecht ; and the effect had been to shut us out from all share in the fur trade, with the exception of that carried on by the Hudson’s Bay Company, and some trade in skins in the provinces of New York and Carolina. But now the subjects of Great Britain, being relieved from the interruptions of

* Annals, iii. 368.

the French and the French Indians, would, it was predicted, carry on this trade to an extent hitherto unknown, and so as to create a large demand for our home manufactures. Another advantage to be looked for from the possession of these northern regions would be found in the prodigious stores of wood they contained, suitable as well for masts to the royal navy as for boards, staves, &c., so necessary in our sugar colonies. Florida, again, was represented as capable of producing indigo, silk, and many other tropical productions; and from the newly acquired islands in the West Indies was anticipated a great increase of coffee, sugar, cotton, and other tropical produce, of which, it was remarked, our old islands scarcely afforded a sufficiency for our increased and increasing consumption.* Macpherson states that the part of this report which respected the fishery in the Gulf of St. Lawrence was confirmed by the success of the New England whale-fishers, "who in the year 1761 employed in it ten vessels of about one hundred tons, in 1762 fifteen, and in 1763 above eighty vessels; whereupon the increase of the quantity of whalebone imported from New England to Britain reduced the price of that article from 500*l.* to 350*l.* a ton."

A view of the leading particulars of the greatest branch of our trade, that carried on with our colonies on the North American Continent, immediately after the termination of the Seven Years' War, may be obtained from the act for granting duties in the colonies, passed in 1764, the first of the series of unfortunate attempts to raise a revenue by American taxation. The following were the imports to the colonies which were taxed by this act, and the duties directed to be levied upon them:—White or clayed sugar, the produce of foreign colonies, 22*s.* per cwt. over and above all former duties; indigo of foreign growth, 6*d.* per lb.; coffee, not from Great Britain, 59*s.* 9*d.* per cwt.; wine from Madeira, or any other island whence wine might lawfully be imported, 7*l.* per tun; wine of Portugal or Spain, or any other wine except French, imported from Great Britain, 10*s.*

* See Abstract of the Report in Macpherson, iii. 372.

per tun ; silk, or stuff mixed with silk, made in Persia, China, or India, imported from Britain, 2s. per lb. ; calico made in Persia, China, or India, imported from Britain, 2s. 6d. per piece ; cambric, foreign made, and French lawn, imported from Britain, 3s. per piece. It is to be observed that the commodities thus taxed when imported from Britain were not permitted to be introduced into the colonies at all from any other part of the world. That restriction was a principal part of the system of the navigation laws. At the same time the duty of 6d. the gallon upon the importation of molasses and syrups, the produce of foreign colonies, which is stated to have been generally eluded, was reduced to 3d. The only new export duties laid on by the act were a duty of 7s. per cwt. on coffee, and another of $\frac{1}{2}d.$ per lb. on pimento, the produce of British islands, when shipped for any other place than Great Britain. And the importation of any description of sugar into Ireland from the colonies was strictly prohibited : that country was only allowed to receive its supplies direct from Great Britain. The immediate effects of this measure upon the American trade are very well summed up by Macpherson in the following passage :—“ The old northern colonies in America, it is well known, have very few articles fit for the British market : and yet they every year took off large quantities of merchandise from Great Britain, for which they made payments with tolerable regularity. Though they could not, like the Spanish colonists, dig the money out of their own soil, they found means to make a great part of their remittances in gold and silver dug out of the Spanish mines. This they effected by being general carriers, and by a circuitous commerce, carried on in small vessels, chiefly with the foreign West India settlements, to which they carried lumber of all sorts,* fish of an inferior quality, beef, pork, butter, horses, poultry, and other live stock, an inferior kind of tobacco, corn, flour, bread, cider, and

* “ Boards and timber for building, cypress wood, shingles, staves, heading and hoops for casks, masts and other spars, and ship-timber pass in America under the general name of *lumber*.”—*Macpherson*, iii. 163, note.

even apples, cabbages, onions, &c. ; and also vessels built at a small expense, the materials being almost all within themselves ; for which they received in return mostly silver and gold, some of which remained as current coin among themselves ; but the greatest part was remitted home to Britain, and, together with bills of exchange generally remitted to London for the proceeds of their best fish sold in the Roman Catholic countries of Europe, served to pay for the goods they received from the mother country. This trade united all the advantages which the wisest and most philanthropic philosopher, or the most enlightened legislator, could wish to derive from commerce. It gave bread to the industrious in North America, by carrying off their lumber, which must otherwise rot on their hands, and their fish, great part of which without it would be absolutely unsaleable, together with their spare produce and stock of every kind ; it furnished the West India planters with those articles without which the operations of their plantations must be at a stand ; and it produced a fund for employing a great number of industrious manufacturers in Great Britain ; thus taking off the superfluities, providing for the necessities, and promoting the happiness of all concerned. This trade, however, was almost entirely ruined by the rigorous execution of the new orders against smuggling, and the collection of the duties in hard silver, which soon drained the country of any little real money circulating in it. And, as if government had intended to prevent the colonists from having even the shadow of money, another act was passed, in a few days after that, for the new duties, declaring that no paper bills to be henceforth issued should be made a legal tender in payment, and enjoining those in circulation to be sunk (that is, paid off in hard money) at the limited time."* An end was also now put to a commercial intercourse which, though forbidden by the laws of both countries, had long been carried on with mutual advantage between our West India islands, Jamaica especially, and the

* Annals, iii. 398.

Spanish colonies of the neighbouring continent, from which small coasting-vessels were wont, along with cargoes consisting of mules and other cattle, cochinchal, indigo, and medicinal drugs, to bring over gold and silver, both coined and uncoined, to a considerable amount, purchasing therewith linens, calicos, and numerous other articles of British manufacture. This trade "is sufficiently known," says the historian of the West Indies, "to have been formerly an intercourse of vast extent, and highly advantageous to Great Britain, having been supposed to give employment, about the beginning of the present [the eighteenth] century, to 4000 tons of English shipping, and to create an annual vent of British goods to the amount of 1,500,000*l.* in value. From the wretched policy of the court of Spain towards its American subjects, by endeavouring to compel them to trust solely to the mother country for almost every article of necessary consumption, at the very time that she was incapable of supplying a fiftieth part of their wants, it is not surprising that they had recourse, under all hazards, to those nations of Europe which were able and willing to answer their demands. It was in vain that the vessels employed in this traffic by the English and others were condemned to confiscation, and the mariners to perpetual confinement and slavery; the Spanish Americans supplied the loss by vessels of their own, furnished with seamen so well acquainted with the several creeks and bays as enabled them to prosecute the contraband with facility and advantage. These vessels received every possible encouragement in our islands; contrary, it must be acknowledged, to the strict letter of our acts of navigation; but the British government, aware that the Spaniards had little to import, besides bullion, but horned cattle, mules, and horses (so necessary to the agriculture of the sugar colonies), connived at the encouragement that was given them. The trade, however, has been for many years on the decline. Since the year 1748 a wiser and more liberal policy towards its American dominions seems to have actuated the court of Madrid, and the contraband traffic has gradually lessened in proportion as the rigour of the

ancient regulations has been relaxed. Nevertheless the intercourse with this island [Jamaica] in Spanish vessels was still very considerable so late as the year 1764. About this period directions were issued by the English ministry to enforce the laws of navigation with the utmost strictness ; and custom-house commissions were given to the captains of our men of war, with orders to seize all foreign vessels, without distinction, that should be found in the ports of our West India islands,—a measure which, in truth, was converting our navy into *guarda-costas* for the King of Spain. In consequence of these proceedings, the Spaniards, as might have been expected, were deterred from coming near us, and the exports from Great Britain to Jamaica alone in the year 1765 fell short of the year 1763 168,000*l.* sterling.* The Rockingham ministry, which came into power in July, 1765, endeavoured to remedy the mistake of their predecessors by sending out orders to Jamaica and the other islands that Spanish vessels should be admitted as usual;† but the effects which had already been produced by the suspension of the trade, and the public discussion of the subject in parliament, had by this time so far enlightened the prejudices of the Spanish court as to induce that government, with the view of counteracting our policy, to permit the exportation of goods of all kinds from its continental colonies to its own islands of Trinidad, Porto-Rico, Hispaniola, and Cuba, on the payment of very moderate duties. Edwards is of opinion, however, that the superior quality or greater cheapness of British manufactures would still in no long time have brought us back a considerable portion of our former trade, had it not been for another act passed in 1766, by which the ports of Jamaica and Dominica were opened to all foreign vessels whatsoever of a certain description. He admits that this new measure was well intended ; but its effects, according to his account, were very deplorable. "By an unfor-

* Edwards, History of British West Indies (edit. of 1793), i. 238.

† Macpherson is mistaken (Annals, iii. 404) in placing these orders under the year 1764.

nate oversight," he says, "the collectors at the several British free-ports were instructed to keep regular accounts of the entry of all foreign vessels, and of the bullion which they imported, together with the names of the commanders. These accounts having been transmitted to the commissioners of the customs in England, copies of them were by some means procured by the court of Spain, and the absolute destruction of many of the poor people who had been concerned in transporting bullion into our islands was the consequence. This intelligence I received soon afterwards (having at that time the direction of the custom-house in Jamaica) from a very respectable Spanish merchant, who produced to me a letter from Cartagena containing a recital of the fact, accompanied with many shocking circumstances of unrelenting severity in the Spanish government. Information of this being transmitted to the British ministry, the former instructions were revoked, but the remedy came too late; for what else could be expected than that the Spaniards would naturally shun all intercourse with a people whom neither the safety of their friends nor their own evident interest was sufficient to engage to confidence and secrecy?"*

But meanwhile on the continent of North America the new duties, and the measures taken to restrict or put an end to the trade that had been so long carried on with the French and Spanish settlements, had begun to produce consequences that had been little anticipated. It was found, in fact, that the extinction of the French and Spanish trade threatened also the destruction or serious curtailment of the trade hitherto carried on with England by the colonies, which, deprived of the accustomed market for the disposal of their produce, were no longer in a condition either to purchase British manufactures to the same extent as formerly, or even to discharge their debts to their correspondents in this country. In such circumstances the superiority of the English wool and the English cloth to anything that had as yet been produced in

* Hist. of West Indies, i. 240.

America was of no avail ; the Americans were forced back upon their own resources—were compelled to content themselves in the mean time with the comparatively coarse produce of their own sheep and their own looms, and were set in spite of themselves upon establishing native manufactures. Associations were entered into in the different provinces for dispensing with English broad-cloth for mourning and other purposes ; and the spirit thus generated speedily extended itself to other objects than that originally contemplated, raising in the minds of the colonists the new feeling that they were Americans rather than Britons, or at least that, if they were not Britons, they were still Americans. Things were in this state when a new and still more irritating stimulus was given to the commencing inflammation of the public mind by the famous Stamp Act, one of the last measures of the Grenville administration, which received the Royal Assent on the 22nd of March, 1765, and was to come into operation on the 1st of November thereafter. The preceding act imposing port duties had in that only done the same thing that had been repeatedly done before by the British Parliament, and always quietly submitted to by the colonists, who had never affected to dispute their subjection, like the rest of the empire, to the navigation laws, and to whatever commercial regulations were deemed expedient by the imperial legislature for the maintenance of that system ; the only novelty in the act of 1764 was that the export and import duties thereby imposed were declared to be for the raising of a revenue. "This act," to quote the narrative given by Burke, "had for the first time the title of 'granting duties in the colonies and plantations of America ;' and for the first time it was inserted in the preamble 'that it was *just and necessary* that a revenue should be raised there.' Then came the technical words of 'giving and granting ;' and thus a complete American revenue act was made in all the forms, and with a full avowal of the right, equity, policy, and even necessity of taxing the colonies without any formal consent of theirs."* But the vague alarm excited by the mere

* Speech on American Taxation, 1774.

novelty of expression in the port duties act was sharpened into a determined resolution of resistance by the stamp act, which was altogether new, not only in its form or language, but in the nature of the actual taxes which it directed to be levied. It imposed stamp-duties upon all kinds of legal or commercial writings or contracts, pamphlets, newspapers, advertisements, almanacs, cards, dice, &c., throughout the colonies and plantations in America, placing the collection of them under the management of the Commissioners of Stamps in Great Britain. But it proved as utterly inoperative for its purpose as if it had been a law to stamp the waves or fetter the winds. The news of the universal ferment into which it threw the colonies—"the sound of that mighty tempest," as Burke describes it—reached England in the end of October, immediately after the arrangement by Lord Rockingham and his colleagues as above-mentioned, of the business of the Spanish trade. By the 1st of November, of all the stamped paper sent out by the government to America, one small parcel, which the magistrates of New York had consented to take charge of on the express condition that it should not be made use of, was the only portion that remained in the country: the rest had all been seized by the people and committed to the flames. Then was seen the universal obstruction that may be wrought by a law which it is yet impossible to execute. From that day the legal transaction of commercial affairs became impracticable throughout the colonies; all business was necessarily at a stand; the rivers and wharfs were deserted and silent; vessels of all kinds lay crowding the harbours with their colours hoisted half-mast high; the very courts of justice were shut up; all was stagnation and gloom. But before this a new general agreement had been entered into by the merchants to import no more goods from Great Britain, to countermand all orders for goods not shipped before the 1st of January, 1766, and not to receive on commission any goods consigned from Great Britain after that day. A society had also been established at New York for encouraging native manufactures; and the making of linen, of cloth from the wool both of

the sheep and the beaver, of spades, hoes, and scythes; and other iron articles, of spirits, of paper-hangings, &c., was begun to be prosecuted with great ardour and activity. And these efforts of the mercantile and manufacturing community were warmly supported by the people at large ; the productions of American industry were bought with avidity ; it became the fashion among all classes to appear dressed in the cloth of the country ; and it is related that the general zeal for promoting the native woollen manufacture even gave rise to a resolution against eating lamb, or buying meat from any butcher who should kill lambs.*

In this way the edge of the Stamp Act was soon made to press with more severity upon England than upon America. The colonists had to wear coarse clothes, to dispense with some articles of elegance or luxury, and to pay a higher price than formerly for a few agricultural implements of inferior manufacture ; but the stoppage of intercourse with the mother country, even if it somewhat deranged the industry of a portion of the people, did not affect their subsistence, nor deprive them of any of the necessaries of life. The merchants, again, were actually relieved by the universal suspension of the usual remittances to England. But upon our crowded population, and more artificial system of society, the sudden loss of the greatest branch of our foreign commerce produced a cramp which was soon felt in every part of the kingdom. "The merchants connected with America," we are told, "found themselves unable to fulfil their engagements by the stoppage of the payment of several millions due to them from their American correspondents ; the whole system of their business was deranged, and general distress was diffused throughout the wide-spreading circle of their connexions ; the manufacturers suffered by the want of general payments from the merchants, and moreover found their materials and made-up goods in a great measure become a dead stock upon their hands ; in consequence of which great numbers of their workmen and

* Macpherson, iii. 421.

other dependents were reduced to idleness and want of bread at a time when, to heighten the distress, provisions were extravagantly dear. Petitions were presented from London, Liverpool, Bristol, Lancaster, Hull, Glasgow, and, in a word, from all the trading and manufacturing towns, wherein were displayed in the strongest colours the advantages derived from the trade with America, in the vast and increasing consumption of British manufactures, and also of foreign goods shipped for America, which were paid for with British or American goods ; the valuable nature of the returns received from America, being mostly either the materials of our manufactures or of a profitable re-exportation ; besides which we annually received large balances in bullion, or bills of exchange, which were in fact the profits made by the colonists in their trade with other countries, poured into the general mass of British wealth : and it was observed that many thousands of manufacturers, labourers, and seamen, employed in the various operations of that extensive commerce, must now be thrown destitute, or driven into the service of other nations."* These representations may not have been free from over-statement or high colouring in some particulars ; but there can be no doubt either as to the existence of the general inconvenience and distress which they set forth, or as to its being mainly attributable to the interruption of the usual trade with the colonies. But, although much evidence upon that head was brought forward in the course of an inquiry which occupied the House of Commons during the greater part of the month of February, 1766, what made the most forcible impression upon the public mind, and chiefly weighed with the government to take the course it did, was probably the disturbed and threatening aspect of things on the other side of the Atlantic. The act repealing the stamp-duties, thus extorted by the menace of a rebellion in America, received the royal assent on the 18th of March, within a few days of a year after their imposition. And, whether or no that concession might, according to Burke's sanguine

* Macpherson, iii. 443.

anticipation, have given, if it had been so permitted, a lasting peace to the empire, it is not to be denied that the effect of the repeal in the colonies, even accompanied as it was by the declaratory act, was for the moment the complete restoration of tranquillity and good humour. "I am bold to say," exclaimed Burke, referring to this epoch, in his famous speech of 1774, "that so sudden a calm recovered after so violent a storm is without parallel in history."

But before the end of the year 1767, this calm was again interrupted, and changed into a more violent and alarming storm than ever. By one party at the time the change which was so soon brought about was attributed wholly to the mismanagement of the Chatham ministry, which succeeded that of Lord Rockingham in July, 1766, and more especially to Charles Townshend's new American taxation act passed in 1767, imposing duties upon the import into the colonies of tea, glass, painters' colours, pasteboard, and paper-hangings, expressly on the ground of its being expedient that a revenue should be raised in his majesty's dominions in America. By Townshend and his friends, on the other hand, it was alleged that the colonies had drawn upon themselves this new interference by their own conduct—that by various proceedings in their provincial assemblies they had set the late declaratory act and the authority of the imperial legislature at defiance—and that, unless that act was to remain not only a nonentity but a mockery, it had become absolutely necessary that the supremacy of the mother country should be asserted by something more than words. It was found, however, utterly impracticable to collect the new duties; and the act of 1767 was repealed in 1770, in regard to all the duties except that on tea. But even that reservation could not be maintained; no tax was ever actually levied on tea in America, any more than upon glass, or red or white lead, or pasteboard; and at last in 1775 all trade with the colonies was prohibited, immediately before the breaking out of the war which terminated in the acknowledgment of their independence.

We shall now endeavour to collect into one view the principal facts illustrative of the history of our trade with America during this period of interference and fluctuating policy on the part of the mother country. It is remarkable that it should have been, on the whole, so little affected by the variety of new and contradictory laws it was subjected to from 1764 down to its suppression, and by the heats and inflammations growing out of these vexatious proceedings, which, in the end, produced results of so mighty a character. In fact, if we are to judge by the official accounts of exports and imports, it went on increasing almost without interruption the whole time. Thus, in 1763 the value of the imports into Great Britain from New England, New York, Pennsylvania, Virginia and Maryland, Carolina, Georgia, and Florida, was 1,460,144*l.*; in 1764, 1,460,836*l.*; in 1765, 1,576,267*l.*; in 1766, 1,424,212*l.*; in 1768, 1,570,657*l.*; in 1769, 1,533,255*l.*; and in 1774, 1,900,758*l.* The value of the exports from England to the same provinces was, in 1763, 1,912,491*l.*; in 1764, 2,497,804*l.*; in 1765, 2,149,735*l.*; in 1766, 2,020,715*l.*; in 1768, 2,422,888*l.*; in 1769, 1,634,652*l.*; and in 1774, 2,902,619*l.** The only considerable diminution sustained by the trade, it would appear from this statement, was in 1769, when, as we may suppose, the non-importation and non-exportation system, re-adopted in retaliation for the new taxation act of 1767, had come into full operation. But even the depression thus produced had been much more than recovered from before the commencement of the war; the sum total of the exports and imports together in 1774 exhibiting an increase of full twenty per cent. upon their united value in 1768. The tables from which we have extracted these figures also afford us some information as to the general character of

* In 1763, 1764, 1765, and 1774, there are included in these sums the imports to Scotland from Hudson's Bay, Newfoundland, Cape Breton, Quebec, and Nova Scotia, and the exports from Scotland to those countries, which the official accounts do not for these years enable us to separate. But the sums total are very slightly raised by that addition.

the trade carried on with the mother country by each of the several colonies. The only provinces from which the imports to Great Britain usually at this time exceeded the exports thence were Virginia and Maryland, and North and South Carolina. But the rule was not uniform even in regard to these colonies. Thus, to confine ourselves to Virginia and Maryland (included under one head in the English tables), it appears that, in the trade with England only, the value of our imports from these provinces in 1763 was 642,294*l.*, of our exports thither 555,391*l.*; that in 1764 our imports were 559,408*l.*, our exports 515,192*l.*; in 1765 our imports 505,671*l.*, our exports 383,224*l.*; in 1766 our imports 461,693*l.*, our exports 372,548*l.*; in 1768 our imports 406,048*l.*, our exports 475,954*l.*; in 1769 our imports 361,892*l.*, our exports 488,362*l.*; and in 1774 our imports 612,030*l.*, our exports 528,738*l.* But these two provinces enjoyed besides the chief trade with Scotland, the imports to which country, from Virginia especially, and the exports thither, in some years probably equalled those to and from England. Thus in 1766 Virginia sent produce to Scotland to the value of 255,480*l.*, receiving back goods to that of 109,390*l.*; in 1768 the value of the imports to Scotland from that colony was 273,364*l.*, of the exports from Scotland to Virginia, 152,795*l.*; in 1769 the imports to Scotland from Virginia amounted to 299,715*l.*, and those from Maryland to 98,353*l.*, making together 398,068*l.*, or 36,176*l.* more than those to England from the same two provinces: the exports from Scotland that year were, to Maryland 51,511*l.*, to Virginia 175,069*l.* To the northern provinces of New England, New York, and Pennsylvania, the exports from Great Britain always greatly exceeded in value the produce we imported thence. Thus, in 1763 the English imports from New England amounted to 74,815*l.*, the exports thither to 258,854*l.*; in 1764 the imports were 88,157*l.*, the exports 459,765*l.*; in 1765 the imports 145,819*l.*, the exports 451,299*l.*; in 1766 the imports 141,783*l.*, the exports 409,642*l.*; in 1768 the imports 148,375*l.*, the exports 419,797*l.*; in 1769 the imports 129,353*l.*, the

exports 207,993*l.*; in 1774 the imports 112,248*l.*, the exports 562,476*l.* The trade with Georgia and Florida was very trifling, but was a growing trade as well as that of the other colonies: the value of the imports into England from Georgia having increased from 14,469*l.* in 1763 to 67,647*l.* in 1774; that of the exports from England thither from 44,908*l.* in 1763 to 57,518*l.* in 1774. We imported nothing from Florida in 1763, and only to the value of 294*l.* in 1764; and the value of our exports thither in 1763 was only 9946*l.*: in 1774 our imports from Florida amounted to 22,335*l.*, our exports thither to 52,149*l.*

The principal foreign trade carried on by the New Englanders before the American revolution consisted in the export of cod, salmon, mackerel, sturgeon, and other fish, which they obtained partly from their own seas and rivers, and from the coasts of Newfoundland and the fishing-grounds in the Gulf of St. Lawrence, partly in exchange from the Newfoundland fishermen for rum of their own manufacture, and other articles of American and West Indian produce. For some years before the breaking out of the war the provinces of Nova Scotia, Quebec, and Newfoundland used to receive from the colonies now forming the United States, and chiefly from New England, between 550,000 and 654,000 gallons of rum annually, all manufactured in these colonies, with the exception of a small quantity, not a tenth part of the whole, which had been brought from the West India islands. Of the fish, the principal part and those of the best quality were sent to the Catholic countries of the south of Europe, whence the proceeds were generally remitted to Great Britain in bills of exchange to pay for the goods we exported to America. A small quantity of the best fish was also brought to this country. The inferior sorts were disposed of in the West Indies, where they were eaten with the plantains and yams that formed the principal food of the negroes. The New Englanders were also largely engaged in the whale fishery in the seas between their own coasts and Labrador, especially since the encouragement that branch of trade had received from

a reduction of the duties on their oil and whale-fins by an act passed in 1764 ; the effect of which was, that the number of vessels employed by them in whaling had increased from 80 or 90 to 160 before the year 1775. They were besides extensive ship-builders, not only supplying themselves with the vessels they required for their own commerce, but building great numbers for sale, which, however, were in general more in request for the moderation of the price than for the excellence either of the materials or the workmanship. Then, as has just been mentioned, they manufactured large quantities of rum from molasses, which they procured chiefly from the French West India islands ; and, although this New England spirit was very inferior to that made in the West Indies, it was still very gladly taken by the Indians in exchange for their furs and peltry. "They also," continues Macpherson, from whom we extract and abridge these details, " found a great vent for it among their own fishermen and others engaged in the Newfoundland fishery ; and they carried considerable quantities of it to Africa, where they exchanged it for slaves, or sold it to the resident European slave-merchants for gold-dust, ivory, woods, wax, and gums. The candles made of spermaceti furnished by their whale fishery formed also an article of export to the amount of three or four hundred thousand pounds weight in a year, besides what were consumed upon the continent. Their exports to Great Britain consisted chiefly of fish-oil, whalebone (or fins), masts, and other spars, to which were added several raw materials for manufactures collected in their circuitous trading voyages, and a balance paid in foreign gold and silver coins. In short, their earnest application to fisheries and the carrying trade, together with their unremitting attention to the most minute article which could be made to yield a profit, obtained them the appellation of *the Dutchmen of America.*"* From the middle provinces of New York, New Jersey, Pennsylvania, and Delaware, we received iron, hemp, flax-seed,

* Annals of Commerce, iii. 568.

umber, Indian skins and furs, and some raw materials for our manufactures, which were the produce of other provinces or of foreign countries ; but there was also, as we have seen, a considerable balance on the trade of each year which was paid in bullion. The other principal foreign markets of these provinces, besides Great Britain and Ireland, were the West India islands, the Azores, Madeira, the Canary Islands, and Spain and Portugal. Their exports are enumerated as having been " corn of all kinds, flour, and bread, in great quantities ; salted provisions of all sorts ; live stock, including horses, horned cattle, hogs, and sheep, and all kinds of poultry in great numbers ; flax and hemp ; boards, scantlings, staves, shingles, and wooden houses framed and ready to set up ; iron in pigs and bars ; and vessels, superior in workmanship to those of New England."* The most valuable export from British America was the tobacco of Maryland and Virginia ; but for many years before the revolt of the colonies the quantity of tobacco raised in those provinces, of which it was long the principal produce, had been diminishing, owing to the soil being exhausted by it, and much of the land having been consequently turned to the growing of wheat and other grain. The tobacco could only be legally exported to Great Britain ; but corn, flour, lumber, &c., were sent from Maryland and Virginia, as from the other provinces, to the West Indies and elsewhere. We also obtained some tobacco from North Carolina ; and that province likewise furnished annually for exportation about 130,000 barrels of pitch, tar, and turpentine, of which the greatest part came to Britain. To the West Indies it sent chiefly salt pork, Indian corn, peas, &c. " But the foreign trade of this province," it is observed, " was very trifling in proportion to its great extent, and even to the quantity of its productions, and was mostly in the hands of the merchants of the adjacent provinces of Virginia and South Carolina, and of the New Englanders."† The culture of tobacco had also been for some

* Macpherson, *Annals of Commerce*, iii. 568.

† *Ibid.*, p. 569.

time carried on in South Carolina and Georgia; and considerable quantities of lumber were exported from those provinces; but their staple articles of produce were rice and indigo; the former grown on the marshy grounds near the coast, the latter on the dry soil of the inland country. Besides these commodities the merchants of Charlestown also exported part of the produce of North Carolina, and some skins obtained by trade with the neighbouring Indians.*

In the year 1769 the number of vessels built in the North American colonies was 389, of which 118 are described as square-rigged vessels, the remaining 276 as sloops and schooners. They measured in all 20,001 tons. Of the whole number the colony of Massachusetts Bay furnished 40 square-rigged vessels, and 97 others, weighing 8013 tons; New Hampshire 16 square-rigged vessels, and 29 others, weighing 2452 tons; Connecticut 7 square-rigged vessels, and 43 others, weighing 1542 tons; Pennsylvania 14 square-rigged vessels, and 8 others, weighing 1469 tons; and Rhode Island 8 square-rigged vessels, and 31 others, weighing 1428 tons. Maryland and Virginia stood next in order; then New York, South Carolina, North Carolina, New Jersey, and Georgia. In 1770 the quantity of shipping built was 20,610 tons; in 1771, 24,068 tons, or 419 vessels of all sorts. In 1769 the entire tonnage of the shipping entered inwards in all the colonies was 332,146 tons; of which to the amount of 90,710 was from Great Britain and Ireland; of 34,151 from the southern parts of Europe and Africa; of 94,916 from the British and foreign West Indies;† and 112,369 from the continent of America, the Bahama Isles, &c. Of the shipping from the British islands, 20,652 tons fell to the share of Virginia, 15,486 to Maryland, 15,281 to South Carolina, 14,340 to Massachusetts Bay, 9309 to Pennsylvania, 6415 to North Carolina, 5224 to New

* Macpherson, *Annals of Commerce*, iii. 569.

† In the table given by Macpherson, iii. 570, copied, he tells us, from the accounts in the Custom-house, the trade with the south of Europe for this year is evidently given to the West Indies, and vice versa.

York, 2523 to Georgia ; the quantities entered at the ports of New Hampshire, Rhode Island, and Connecticut were trifling, and to New Jersey there came none at all. From the south of Europe and Africa the chief imports were to Pennsylvania ; from the West Indies to Massachusetts Bay ; and the latter colony had also by far the largest share of the trade with the rest of the American continent. In 1770 the total shipping entered inwards throughout the colonies was nearly of the same amount as in the preceding year, being 331,942 tons ; of which, however, only 84,934 tons came from the British islands. The chief increase was from the West Indies, from which there now arrived to the amount of 106,713 tons. The amount of the shipping entered outwards in 1769 was 339,302 tons ; namely, 99,121 tons to Great Britain, 42,601 to the southern parts of Europe and Africa, 96,382 to the West Indies, and 101,198 to the continent of America, the Bahama Isles, &c. Of the export trade to the British islands, Virginia had the greatest share ; then Maryland, then South Carolina, then Massachusetts Bay. Of that to the southern parts of Europe the largest portion belonged to Pennsylvania ; of that to the West Indies to Massachusetts Bay, which also possessed a much larger share than any other colony of that to the other parts of the American continent. It is noted, however, that the entries given in both accounts of the shipping employed in the West India and continental trades are much swelled by the frequent repetition of voyages in the course of the same year. Of the total shipping entered outwards in 1769, 63,666 tons sailed from Massachusetts Bay, 52,008 from Virginia, 42,986 from Pennsylvania, 33,855 from South Carolina, 30,996 from Maryland, 26,859 from New York, 23,113 from North Carolina, 19,744 from New Hampshire, 17,966 from Connecticut, 17,775, from Rhode Island, 9241 from Georgia, and 1093 from New Jersey. For the next year, 1770, the total shipping entered outwards from all the colonies was 351,664 tons ; of which 98,025 proceeded to Great Britain and Ireland, 37,237 to the South of Europe and Africa, 108,150 to the West

given an account.* The imports from the south to Massachusetts Bay in 1769 are estimated at those to New York at 14,927*l.*; those to Pen at 14,249*l.* Of the imports from the West I share of Pennsylvania is set down at 180,591*l.* Massachusetts Bay at 155,387*l.* Of those from principally negroes, we presume—South Ca ccived to the value of 124,180*l.*, or about five the whole. The official value of the exports fr colonies to all parts of the world that same 2,852,441*l.*; namely, to Great Britain, 1,531*l.* the south of Europe, 552,736*l.*; to the We 747,910*l.*; to Africa, 20,278*l.* Of the whole, of 991,401*l.* is assigned as the value of the ex Maryland and Virginia, principally to Great 569,584*l.* as the value of those from the Caro for the greater part to this country ; 550,089*l.* those from the New England provinces, principal West Indies ; 410,756*l.* as that of those from vania. nearly all to the south of Europe and to

A list of the articles exported in the year 1770 from all the British continental colonies, including the islands of Newfoundland, Bahama, and Bermuda, informs us that the principal exports to Great Britain in that year were, 1173 tons of pot-ashes, 737 of pearlashes, 5747 of pig-iron, 2102 of bar-iron, 584,593 lbs. of indigo, 5202 tons of whale-oil, 112,971 lbs. of whale-fins, 74,073 barrels of rice, 78,115 of common tar, 15,125 of turpentine, 3043 tons of masts, yards, &c., 6,013,519 feet of pine, oak, and cedar boards, 4,921,020 staves and headings, furs to the value of 91,485*l.*, 799,652 lbs. of deer-skins, and tobacco to the value of 904,981*l.* The other principal exports were, to Ireland 305,083 bushels of flax-seed; to the south of Europe 431,386 quintals of dried fish, 588,561 bushels of wheat, 18,501 tons of bread and flour, and 36,296 barrels of rice; to the West Indies, 351,625 lbs. of spermaceti candles, 206,081 quintals of dried fish, 29,582 barrels of pickled fish, 402,958 bushels of Indian corn, 49,337 of peas and beans, 23,449 tons of bread and flour, 2870 tons of beef and pork, 167,313 lbs. of butter, 4033 barrels of rice, 8548 lbs. of loaf-sugar, 85,035 lbs. of soap, onions to the value of 6378*l.*, 35,922,168 feet of pine, oak, and cedar boards, 11,116,141 staves and headings, 3,817,899 hoops, 62,099 shook hogsheads, 3184 heads of cattle, 6692 horses, 12,797 sheep and hogs, and 183,893 lbs. of tallow and lard: to Africa the only considerable export was 292,966 gallons of New England rum, of which spirit also, as we have already seen, a much larger quantity was sent from the New England colonies to the Indians of Nova Scotia and Canada.*

We now return to notice the most significant facts illustrative of the history of the other great branches of our commerce during the interval from the peace of 1763 to the commencement of the American revolution.

By one of the articles of the treaty of peace the French had liberty to fish, under certain regulations, on a part of the coast of Newfoundland, and also to dry their fish

* These details are abstracted from tables given by Macpherson, Annals, iii. 570-578.

there. Disputes immediately arose between the two nations, and instructions were sent out early in 1764 to Commodore (afterwards Admiral) Palliser, the governor of the island, directing him to observe the strictest impartiality with regard to the share each was entitled to of the curing-grounds, and especially to take care that no injury should be done to the persons or properties of the French fishers; but the two rival interests were for a time more effectually reconciled by the opposition they soon after encountered in common from a third party, the stationary inhabitants of the island, who carried on the fishery in bye-boats, and who claimed a right of property in all the parts of the beach most convenient for drying the fish, to the exclusion of both the French and the English. An extensive system of smuggling was also carried on, especially with the French settlements on the neighbouring islets of St. Pierre and Miquelon, which, during the part of the year when the British ships of war were absent, there were no means of repressing; and it was further supposed that many of the vessels resorting to the fishery under British colours were, contrary to law, in part at least the property of Spaniards and other foreigners. It was not to be denied, however, that the trade of the island flourished more than it had ever done before in the midst of all these irregularities. The stationary fishermen, as they were called, could both go earlier to, and remain later upon, the fishing-grounds than the ships could, and had also greater facilities in other respects for carrying on the business on the most economic principle; so that, it is stated, the quantity of fish cured and carried to market was, within two or three years after the peace of Paris, as great as it had been in the most flourishing times of the fishery, while the exports to the island from Great Britain were five times as great as they had ever been before, besides that the supplies sent thither from our colonies on the American continent were supposed to be twice the amount of those sent from this country. In these circumstances the Board of Trade, in 1765, advised that rights of property in their settlements should be given to the occupants of all parts of the island, except-

ing only the portion of the coast where the late treaty of peace entitled French as well as English subjects to fish, and where, it was asserted, a ship-fishery only would be of most advantage for all concerned.* This concession proceeded, we suppose, from the Rockingham ministry. The next year, however, we find an opposite policy recommended, probably by the new Board of Trade under their successors. The lords of trade, it is stated, now represented "that a state of inheritance, unrestrained by any form or constitutions of civil government, had operated to the total subversion of that policy upon which the fisheries dependent upon that island were originally established, and defcated the great national advantages of the statute of 10 and 11 Will. III., principally by setting up exclusive claims to all the places on the shore which are useful for curing the fish ; and such claims of property, if they are permitted, are alone sufficient to banish from the coast the ship-fishing, which Commodore Palliser conceives to be the only species of the fishery attended with the great national advantage of breeding a hardy race of seamen, capable of manning the navy in cases of emergency."† In the season of 1765, according to a statement drawn up by Palliser, there had arrived at Newfoundland 177 British fishing ships, of the total burthen of 17,268 tons, and carrying 2521 men and 5397 passengers, who cured 136,840 quintals of cod, valued at from 10*s.* to 17*s.* per quintal, and made 584*1*/₂ tons of train-oil, valued at from 15*l.* to 18*l.* per ton ; 116 British sack (or trading) ships, of the burthen of 14,353 tons, carrying 1252 men, who did not engage in the fishing, but brought salt, or only ballast, and purchased their fish ; and 104 British American vessels, measuring 6927 tons, and carrying 666 men. There had been made by the bye-boat men 85,096 quintals of cod, and 481*1*/₂ tons of train-oil ; and by the inhabitants of the country 310,576 quintals of cod, and 1517*1*/₂ tons of oil. Palliser, who, as we have seen, was a zealous advocate for having the fishery carried on alto-

* Macpherson, *Annals*, iii. 423.

† *Ibid.*, p. 438.

gether by ships from Great Britain, and the settlers on the island and others who fished only in boats wholly driven out of it, gave a very bad account of the latter. The number of inhabitants settled upon Newfoundland at this time he reckoned to be 15,484, "most of whom," he stated, "were Roman Catholics, and many of them deserters from the ships, who, not being able to follow any employment during the seven months in which there is no fishing, and being under no control of civil government, used to spend that time in idleness, and subsist chiefly by robbery, the whole of the land cultivated by them being only 1262 acres." It appears, however, from his own statement as just given, that about three-fourths of the entire trade was at present actually in the hands of this class of persons. The total exports from Newfoundland in 1765 were 493,654 quintals of cod; 1172 tierces of salmon, worth from 40*s.* to 45*s.* each; seal-oil made the preceding year, and whale-bone obtained from the Indians, to the value of 5109*l.*; and furs taken by the inhabitants to that of 980*l.* Since the peace the government of Newfoundland also comprehended the coast of Labrador from the river St. John to Hudson's Straits, together with Anticosti, Madelaine, and other islands on that coast; and Palliser states that the Labrador fishery employed 117 ships and schooners from the provinces of Quebec and New England, carrying 1563 men, who between the 14th of May and the 10th of July killed 104 whales, each of the average value of 478*l.*, and yielding on an average 140 barrels of oil and 2000 lbs. of bone; while the winter seal-fishery on the same coast employed 107 men, who made 500 tons of oil, besides procuring a considerable quantity of furs from the Esquimaux. The annual value of the seal, cod, salmon, and furs obtained from that part of the coast is estimated at 100,000*l.*; the trade being wholly in the hands of the British Americans, and the greatest part of its produce being disposed of to the French. The French fishery carried on upon the coast of Newfoundland employed at this time 117 ships, measuring 18,495 tons, and carrying 7862 men, who made 292,790 quintals of

cod, ana 2929 hogsheads of oil. And, in addition, it was estimated that in the French fishery on the banks were employed 130 ships, of the burthen of 16,000 tons, and carrying 3900 men, who made 130,000 quintals of cod and 2600 hogsheads of oil; in that at St. Pierre, 20 ships, weighing 2600 tons, and carrying 1200 men, who made 24,000 quintals of cod and 480 hogsheads of oil; while belonging to St. Pierre and Miquelon, and employed on the banks and in the Gulf of St. Lawrence, were 50 ships, of the burthen of 2500 tons, and carrying 750 men, who made 30,000 quintals of cod, and 600 hogsheads of oil. There were also belonging to those islands 120 boats, carrying 600 men, who made 12,000 quintals of cod and 240 hogsheads of oil. The fishery was protected by two French frigates, whose crews amounted to 400 men; and the trade attracted 20 vessels from the French West Indies, weighing in all 1200 tons, and carrying 240 men.

In 1767 the entire number of British vessels employed in the fishery had increased to 258, measuring 23,419 tons, and carrying 3946 scamen, besides 7070 passengers; of these vessels 27 fished on the coast of Labrador. This season there were brought to the country, in 115 American vessels, cargoes of rum, molasses, bread, flour, &c., the proceeds of which, including the price of some of the vessels that were also purchased, are calculated to have amounted to 100,000*l.*, which was paid mostly, not in fish, but in bills of exchange. About 300 vessels, measuring on an average about 60 tons, and carrying 13 men each, were besides employed by the Americans in the whale fishery about the coasts of Newfoundland, Labrador, and the Gulf of St. Lawrence; and about 300 more, averaging 60 tons in burthen, and carrying 10 men each, in the cod-fishery on the banks of Newfoundland and Labrador. The next year, 1768, the number of British vessels engaged in the fishery, and the quantities of fish cured, and of oil manufactured, were still greater; and the increase continued to be progressive for the three following years, in the last of which, 1771, the British fishing vessels were 369 in number, weigh-

than 149, measuring 15,179 tons, which was amount of shipping of this description than attracted thither in any preceding year. The vessels that arrived this year were also more than they ever had been before, being 175 ; were employed in the fishery 518 bye-boats, fewer than 1446 boats belonging to persons re the island. The quantities of fish taken thi were, by the British vessels 237,640 quintals, by boats 145,800, and by the boats of the in 312,426 ; 2962 tons of oil were manufactured ; were besides exported 3501 tierces of salmon was much more than an average quantity, and worth of skins and teeth of sea-cows, and oil of and seals. We may see from this account that had not been able to carry his plan of putting boat-fishing into effect. The French fishery a have reached its zenith in 1770, in which ye ployed 12,855 men in 437 vessels, measuring tons, and 1470 boats, and produced 435,340 q

will abstract the most important particulars therin stated, adding under each head any material facts that may be necessary to bring down the account to the close of the interval of peace.

The country of our commerce with which the most minute account is given is Holland. The number of vessels from Great Britain, Ireland, and British America that arrived in the ports of Rotterdam, Dort, and Schiedam, was, in the year 1761, 1372; in 1762, 893; in 1763, 847; and in 1764, 881; all British property, except 46, which belonged to Dutch owners. Not many years before this time from 800 to 1000 vessels annually used to come from England to Holland with corn; now only a small quantity of malt was brought from Yarmouth, Wells (in Norfolk), and Burnham. Yet, in 1764, 200 cargoes arrived at Rotterdam, and 30 at Schiedam. The Dutch now obtained their supplies of corn from the East Country, and particularly from Poland, where the price was much lower than in England. Woollen goods to the value of above 350,000*l.* a-year (of which a third was supposed to find its way to Germany) were brought to Rotterdam from Norfolk, Yorkshire, and London; besides from 50,000*l.* to 70,000*l.* worth of woollen stockings from Aberdeen, and 10,000*l.* worth of coarse woollen serges from the county of Ayr.* Owing to the decrease of turf in Holland, the importation of English coal was increasing; in 1764, 17,110 chaldrons were brought chiefly from Newcastle, all in English ships, besides four or five cargoes from Milford, and about 5000*l.* worth from the Frith of Forth. From 8000 to 10,000 hogsheads of tobacco were annually received from Glasgow, about as many from Whitehaven, Liverpool, and Bristol, and about 5000 from London. From Cowes there were brought every year from 12,000 to 15,000 barrels of rice. About 1000 tons of lead, worth 14*l.* or 15*l.* a ton, were brought from Newcastle, Stockton, Hull, and Chester; and from 1500 to 2000 tons

* Macpherson doubts whether the serges as well as the stockings did not come from Aberdeenshire.—*Annals*, iii. 428.

from the Frith of Forth. The importation of pickl salmon from Scotland had declined, but it still amount to from 2000 to 3000 barrels a-year, worth 5000*l.* 6000*l.* The importation of red herrings had also falle owing to the scarcity and higher price of the fish, fr 12,000 or 14,000 barrels to 3000 or 4000. From Ir land, in 1764, were brought 26,612 casks of butter weighing on an average 150 lbs., and of the value 38*s.* each ; 474 hogsheads of tallow, weighing 1300 lb each ; 445 casks of lard, of 150 lbs. each, besides son feathers, kelp, pork, hides, and ox-bones. From 10,000 to 14,000 barrels of Irish beef used to be imported annually in time of war ; but, as the article in time peace was only enterable for exportation, the quanti was now reduced to 3000 or 4000 barrels. The use English hardware was daily increasing ; and so was th consumption of our felt and straw hats, woollen and si stockings, and silk stuffs. Birmingham and Sheffield war of all kinds were much in demand. English printe linens and calicoes were the common summer dress i Holland, and were to be seen in every shop. Stafforshire earthenware, of the improved manufacture recent introduced by Wedgwood, was coming into request bot in Holland and in the neighbouring countries, and th quantity of it imported was rapidly on the increas Bottles used to be imported in large quantities ; but th demand had lately been reduced by the extension of th home manufacture of glass. Horses were frequent brought from London. Sugar, ginger, cotton, and othe articles of our West India produce, were occasionall imported, and sometimes in large quantities. Finally from 1000 to 1500 tons of Honduras logwood used i be annually brought from New York, Boston, and Rhod Island ; and from 500 to 1000 tons of other dyein woods from our possessions on the coast of Guinea. Th principal exports from Holland to Great Britain an Ireland were the following :—about 2400 casks of madder of the value of about 25*l.* per cask ; about 1,200,00 stones of flax (6 lbs. each), averaging 2*s.* 6*d.* per stone fully 17,000 hogsheads of flax-seed, at about 50*s.* pe

hogshead, some mill-stones, tarras, clinkers, and rushes for matting chairs; a very large quantity of spice; some fine Juliers thread, Dutch tapes, sail-cloth, and linen, the demand for which articles was daily increasing; gold and silver, mostly for the service of the East India Company; and a great quantity of gin, although the smuggling trade in that spirit and in brandy, which formerly, used to be very extensive, was now almost at an end.

At Hamburgh there arrived 160 British ships in 1760; 220 in 1761; 240 in 1762; and 209 in 1763. In 1764 the number of British vessels was 267, while that of the Hamburghers was 157 (56 of them from British ports), and that of all others 386 (including 36 from British ports). In 1765 the British vessels were 252, the Hamburghers 142 (including 41 from British ports), and those of all other nations 377 (of which 33 were from British ports). According to the account of the members of the British factory at Hamburgh, ever since the trade was laid open at the Revolution of 1688 it had been declining and getting into the hands of foreigners; and, although during the late war the place, as a neutral emporium, had flourished by the consignments from England, and still more by those from America and the West Indies; insomuch that France used then to be supplied with sugar from Hamburgh, yet now from 50,000 to 60,000 hogsheads of French sugars were annually carried thither, and the English sugars were already driven out of the trade. But, according to the consul's report, the decrease in the number of arrivals of British ships in 1765 was chiefly owing to the Hamburgh sugar-refiners having overstocked themselves with sugars in the preceding year; the French imports of that article being also lower this year than the last, although the import of wines from Bordeaux was higher. In 1768 the value of the imports to Hamburgh from Great Britain, Ireland, and the British West Indies is stated to have been 1,169,170*l.*; and of those from France 993,318*l.* The number of vessels that arrived from the British dominions in that year was 254.* In 1769 the value of the British im-

* Macpherson, iii. 485. The account would make the

ports was 949,074*l.*; that of the French 1,208,461*l.*; but of the vessels that arrived in the port, 195 were British, and not one French. In 1700 the British imports amounted to 1,020,251*l.*; the French to 945,467*l.*; of the arrivals, 182 were of British ships, and again not one of French. It is stated, too, that, although the number of vessels was somewhat less than the preceding year, they were of greater burthen; there being amongst those of largest size, and containing the most valuable cargoes, five more from Liverpool, and ten more from Glasgow, than in 1769.* In 1775 the British imports were estimated at 1,030,316*l.*; the French at 1,270,627*l.*; and of 268 arrivals, 262 were of British ships, and 242 in all from British ports.† In 1776 the value of the British imports was 974,442*l.*; that of the French 1,099,559*l.*; and the British ships were 184, the French 10. To Bremen this year the British imports amounted to 178,476*l.*; the French to 307,580*l.* Macpherson observes, however, that, although the French trade thus continued to have the ascendancy in these two cities, the latter of which belonged in sovereignty to the king of Great Britain, yet, with respect to Hamburg, the freights, if not included in the estimate of cargoes, must have turned the scale greatly in favour of this country.

With Flanders our trade is stated to have, on the whole, made great progress during the quarter of a century previous to the year 1765; although the high duties imposed by the Austrian government had of late considerably diminished the importation of British woollens, earthenware, paper-hangings, and printed linens and cottons. Our woollens had also been prohibited to be carried through the country, as formerly, to France and Germany. Our trade with Denmark is described as having been almost annihilated at the commencement of the reign of George III.

number of vessels that were British property to be only 80; but there is evidently a misprint where it is stated that of the 254 vessels from the British dominions only 20 were British. The 20 should probably be 200 or 220.

* Macpherson, iii. 507.

† Ibid. 582.

Our most important trade to the south of Europe used to be with Portugal, bound as the two countries were to one another by the stipulations of the Methuen treaty. But great complaints were made in 1765, by the British consul and merchants at Lisbon, of the obstructions and oppressions under which their commerce then laboured. The import into Portugal of British woollens, it is affirmed, had fallen off to about half of what it was ten years before, in consequence partly of the competition of the French and Dutch manufacturers, partly of new duties (which, however, one would suppose, must have borne as hard upon the French and Dutch as upon the British trade). The importation of fine hats from England had been reduced to about a tenth of its former amount, the Portuguese now obtaining part of their beavers from France, and manufacturing most of the rest at home. Even the importation of cod-fish from Newcastle had decreased from 80,000 to 60,000 quintals, which were annually brought in about thirty vessels. The decrease is ascribed "partly to the advanced price of fish at Newfoundland and New England, partly to additional duties imposed at Lisbon, and partly to the acts of the Lisbon Company of Fishmongers." The rise of a home manufacture, and large importations from France and Italy, had also greatly reduced the demand for English silks, after it had reached a considerable height; and as many silk stockings were now brought from France as from this country. The use of British printed linens, which was formerly general among the Portuguese, had of late been almost put an end to by some arbitrary proceedings of their custom-house officers. Portugal being dependent for half its consumption of corn upon other countries, some was still imported from Great Britain and the British colonies in America, as well as from the Mediterranean, Holland, Dantzic, Spain, and France; but the importers complained loudly of being prohibited from carrying it elsewhere, if the market should happen to be glutted when they arrived in a Portuguese harbour. The late parliamentary restrictions on the commerce of the American colo-

had greatly diminished a very profitable trade which they had been accustomed to carry on with Portugal. In short, the importation of butter, beef, and pork from Ireland was now almost the only branch of our trade, according to this representation, that continued to be carried on to the same extent as formerly, these being commodities which could not be obtained from any other country. "About twenty years before this time," continues the account, "there used to arrive in Lisbon six or seven hundred English vessels annually, they being then in a great measure the carriers of the trade of Lisbon in the Mediterranean. But the Dutch, Danish, and Swedish vessels being generally larger than the English, and the port-dues (of late monstrously advanced) being so contrived as to fall heaviest on the smallest vessels, the English carrying trade was so much discouraged by these circumstances and other oppressive measures, that scarcely four hundred vessels in a year now entered the port." Other complaints follow of the injuries sustained from monopolies and arbitrary customs and modes of procedure; and in conclusion it is asserted that "the infringement of privileges due by treaty, the increase of duties, the decrease of the consumption of British goods by means of sumptuary laws, and the uncertainty (or rather partiality) and delay which all must encounter who attempt to recover their property by law in Portugal, altogether constituted such an accumulation of hardships, as rendered it impossible for the British merchants to continue their trade in Portugal unless they could obtain redress of their grievances." A good many of the matters thus complained of, it will probably be thought, belonged to that extensive class of human evils which laws do not make and cannot cure; but the British merchants in Portugal did not for some time cease to press their claims, and to represent themselves as a very ill-used body of persons. In 1767 we find them again complaining in still stronger terms than before of injurious monopolies, regulations in violation of the faith of treaties, and treatment of a generally arbitrary and oppressive character. "Notwithstanding the preference stipulated for the English

len manufactures by the treaty of 1703," we are
med, "the consumption of them was prohibited by
sumptuary laws; but the British merchants had the
ification to see those laws dispensed with in favour of
ch cloths without any difficulty. The court of Por-
, as if desirous of ruining the British trade, crammed
th new duties upon goods and ships, and many new
essive regulations and delays. The British mer-
ts found it next to impossible to recover their debts
e Portuguese courts of justice; they were, moreover,
elled to take in payment actions (or shares) of the
companies which had been set up with a view to
by their trade, which shares the officers of the
ue, and even the companies themselves, refused to
in payment. The property of the British mer-
ts was frequently seized for the service of the king, and
for convents of monks supported by the king, and
payment delayed for many years, or totally withheld.
se violences were committed not only in the pressure
ar, but also during the tranquillity of peace."* At
time the value of the entire imports into Portugal
Britain and the British dominions was estimated to
as follows:—woollen, linen, and other manufactures
Britain, rice from America, and camlets from Ire-
595,000*l.*; fish from Newfoundland, 48,000*l.*;
r and beef from Ireland, 40,000*l.*; staves from
rica, coals, &c., 8000*l.*; manufactures and provisions
Madeira and the other islands, 44,000*l.*; in all,
000*l.* And the exports to Britain and the British
nions were:—Oporto wine 22,000 pipes, valued at
000*l.*; 7000 pipes of Lisbon wine, 63,000*l.*; 12,000
s of wine from Madeira and the other islands,
000*l.*; 50,000 chests of oranges and lemons,
00*l.*; 40,000 moys of salt, 24,000*l.*; and oil, mo-
o leather, cacao, Brazil wood, drugs, &c., to the
e of 8000*l.* So that, by this showing, the annual

* Macpherson, iii. 458.

was popularly supposed to be its amount. It is probable, however, that the amount of the imports from Britain into Portugal is somewhat understated in this exposition. It is observed also that the estimate does not comprehend the trade to the port of Faro, in Algarva, where the exports and imports are stated to have been of nearly equal value; nor does it include either the diamonds brought from Portugal to this country, or the sugars imported thence into Ireland, or the corn exported from Ireland to Portugal.* But, on the whole, our Portuguese trade appears to have gone on declining from this date; in 1770 it is remarked that for some years past the oppression of the British merchants seemed to have formed a part of the policy of the Portuguese government;† and under date of 1774 we are told that the trade, "usually so highly extolled, was now sunk down to less than half of what it used to be formerly."‡

The importation of British goods to Spain, on the other hand, was stated in 1765 to have increased considerably at St. Lucar and Seville during the preceding fifteen years. At Barcelona, however, the consul and merchants complained of oppressive laws and customs, and of arbitrary proceedings on the part of the people in power. At Corunna also in 1768 the consul reported "that since the last war no British merchants had settled there; and that the removal of the English packets from that place had thrown such difficulties in the way of making remittances, that the neighbouring country was now mostly supplied with French manufactures, to the great regret of the natives, who all prefer English goods." In the first six months of that year only seven British vessels had arrived in the provinces of Galicia and Asturias, most of which had only landed small parcels of goods there. In the same time eleven French and five Dutch vessels had delivered their full cargoes. The British vessels that arrived in that district were usually about fourteen in the year from Newfoundland with cod, three or four with salted provisions from Ireland, and a few with corn,

* *Macpherson* iii. 459. † *Ibid.*, p. 503. ‡ *Ibid.*, p. 560.

coals, &c., from various ports in England or America. "The British consul and merchants at Cadiz," it is added, "complained of the hardships put upon them by several infringements of the treaties, and particularly by the *postura*, and order of the magistrates for fixing the prices of provisions, whereby they apprehended the trade from Ireland and Newfoundland to that port must be ruined. They and the consul at St. Lucar also complained of a proclamation prohibiting the importation of all printed and painted cloths and handkerchiefs, the demand for which in the Spanish colonies used to be very considerable. They also complained of the exactions of the health office, of the indignities put upon the commanders of their ships, the partiality shown to the French, and the arbitrary power of the governors and magistrates of Cadiz, who were ignorant of the treaties, and had not even any instructions to regard them."* In December, 1771, the King of Spain, with the view of encouraging certain native manufactures recently set up, issued an ordinance altogether prohibiting the importation, and even for a time the use, of cotton velvets and all other stuffs composed wholly or in part of cotton—a measure which is stated to have proved very seriously injurious to the British trade.†

In Italy, too, if we may believe these reports of the consuls, the British trade was rather upon the decline in 1765. From Leghorn it was stated that the Danes and the French were hurting us in the fish trade; that the French were getting the better of us in the woollen manufactures; and that importations from some mines lately opened in Spain were lessening the consumption of our lead. From Messina, again, it was reported that the British trade in Sicily was about one-third less than formerly, the decay being attributable chiefly to the general poverty of the people, "occasioned by the oppression of the barons, and the defective administration of justice; the object of the government being the immediate increase of the revenue, without any regard to future conse-

* Macpherson, iii. 482.

† Ibid., p. 514.

quences." "There were still, however," it is added, "more English woollen goods than Dutch or French consumed in Sicily, our returns being chiefly in raw and thrown silks shipped for England, and corn shipped for Spain and Portugal, the freights of which were considerable."

Finally, the members of the Turkey Company settled at Constantinople and the ports in the Levant complained that the sales of British woollens had so greatly declined in those parts, that, whereas they used formerly to be to the French sales as three to one, the latter now exceeded them in the same proportion. But this reversal of the old relation of the two trades was to be assigned in part, we may suppose, to the increase of the French importations as well as to the decrease of the British. Our exports to the Levant are stated to have at this time consisted almost entirely of woollens; the returns being chiefly in raw silk and mohair.

The political position of the East India Company underwent a great change during the present period, and their commerce also, affected both by that and other circumstances, experienced some considerable fluctuations. The origin of the military power and territorial sovereignty of the company in India may be dated from the victory of Plassy, gained by Clive on the 23rd of June, 1757. Followed as was that great blow struck at the ancient Mahometan rule of the country by the all but annihilation of the French interest through the successes that preceded the peace of 1763, it left the field clear for the bold and skilful operations which resulted in the establishment of a new English empire. Mohamed Cossim Ali Khan, set up as subahdar of Bengal, Bahar, and Orissa, in room of his father-in-law, Meer Jaffier, in September, 1760, immediately ceded to the company, to whom he owed his elevation, the districts of Burdwan, Midnapore, and Chittagong. A further acquisition of political influence was made in February, 1765, when, on the death of Meer Jaffier, who had been restored in 1763, the company secured the succession for his natural son, Nujum-Dowlah, and bound him

to receive a resident from Calcutta, to put the chief management of his affairs into the hands of a person recommended by the president and council there, and never to permit the French Company to erect any fortifications within his dominions. But the greatest acquisition of all was that which followed in August of this same year, when, in return for putting him in possession of the provinces of Corah and Allahabad, and ensuring him besides a settled revenue from Bengal, Bahar, and Orissa, the Great Mogul, Shah Aulum, made over to the company the dewanee, or right of collecting for their own use the entire revenues, of these three last-mentioned provinces, at the same time confirming to them the absolute property of all the districts already ceded to them by the subahdars. So high were the expectations of the proprietors raised by these events, that in the year 1766 they at once raised the dividend from six to ten per cent., many of them insisting that it might safely be made fourteen per cent., and some even talking confidently of fifty per cent. as the probable amount of future dividends. It appears to have been at this crisis that the practice commenced of jobbing in India stock, which was carried so far, that before the end of the year its market price had risen to 263, and many of the speculators professed to believe that it would soon be up to 900 or 1000. In 1767 a motion was carried, against the directors, at a general court for raising the dividends to twelve and a-half per cent. Here, however, parliament stepped in, and three acts were passed : the first requiring all public companies to declare their dividends only in general courts held at least five months after the declaration of the preceding dividend ; the second, directing that in the East India Company in particular no dividend above ten per cent. should be made before the next session of parliament ; the third, assuming, by implication at least, that the real sovereignty of the late territorial acquisitions of the company was in the crown, and binding the company to pay into the exchequer the sum of 400,000l. per annum in consideration of the revenues from their possessions in

India being secured to them, or rather left in their hands, for the short space of only two years. These measures repressed at its commencement a ferment of speculation and delusion which, if it had been allowed to go on, might have rivalled the South Sea mania. At the same time, somewhat to relieve the company, which was embarrassed by an unusually large stock of tea in its warehouses, the excise duty of a shilling a pound was abolished in regard to all black teas for five years, and a drawback of the whole custom duty was directed to be allowed on all teas exported to Ireland and America; the company being, however, bound to indemnify the revenue for any loss it might sustain from these reductions. And in fact, although the company's sales of tea were nearly doubled, they found themselves obliged in the long run to make good a deficiency of the revenue to the amount in all of 686,390*l.* In 1768 parliament extended the prohibition against a dividend of above ten per cent. to the 1st of February, 1769; but the following year a new act was passed continuing to the company their territorial revenues in India for five years more on the former condition of an annual payment of 400,000*l.* into the exchequer, and authorising them to increase their dividends gradually to twelve and a-half per cent. The company were also bound, during the five years, to export British merchandise to the annual amount of 380,837*l.*, exclusive of military and naval stores, that being the average amount of their export of such goods for the five preceding years. Upon this they raised their dividend in 1769 to eleven per cent.; in 1770 to twelve per cent.; and in 1771 to the highest allowed rate of twelve and a-half per cent. But this rate was only maintained for three half years. Before the end of the year 1772, the amount of debt that had accumulated so alarmed them that they not only suddenly reduced the dividend to the old rate of six per cent. (by which, in conformity with a clause in the act of parliament, they released themselves from the heavy annual payment to government), but came to the resolution of applying to parliament for a loan. The consequence was, that the affairs of India

were again brought before the House of Commons in the spring of 1773 ; when the inquiry resulted in the passing of two new acts for regulating the proceedings of the company both in India and in Europe, by which, among other things, it was directed that nothing less than the possession of 1000*l.* of stock, held for at least twelve months, should give a right to vote at the meetings of the proprietors ; that an advance of 1,400,000*l.* of the public money should be made to the company at an interest of four per cent. ; and that till that loan was repaid the company should be restricted from making any dividends above six per cent. By another act passed this same session, the company was authorised to export tea to the American colonies, receiving a drawback of the whole custom duty on the commodity ; and cargoes were accordingly dispatched to Boston, New York, Philadelphia, and Charlestown, which merely, however, served the purpose of provoking the first actual blow in the contest which, in its issue, separated the colonies from the empire ; for it was one of these inauspicious cargoes that the people of Boston, on the 18th of December in this year, disposed of so summarily by unloading it into the sea. Of the rest, not a single pound was sold ; and the entire adventure was a dead loss to the company. Meanwhile, also, an increase of the duty upon tea at home so greatly reduced the consumption, or, more probably, encouraged the smuggling trade, that the average sales for the five years beginning with 1773 were only 5,559,007 lbs., instead of 8,075,794 lbs., which had been the average of the five preceding years.

Yet the difficulties in which the company had been involved had certainly not been produced by their trade, which on the whole had been in a flourishing and improving state. The source of the pecuniary pressure and embarrassment under which they had been labouring ever since their acquisition of the territorial revenues of Bengal had been undeniably the expenses entailed by their new character and position as a great political power, aggravated by the extravagance, profusion, and rapacity of the generality of their servants in India, left as they

had been in that distant region to exercise, almost without any control either from law or public opinion, the supreme command over all the resources of the country to which they had been so suddenly elevated. The number of ships dispatched by the company in the year 1762 was 21 ; and in no subsequent year down to 1772 inclusive was the number so small : it was 28 in 1763, 32 in 1768, 31 in 1770, and 26 in each of the two following years. In 1773 and 1774 it was only 15 ; but it rose again to 19 in 1775, and to 23 in 1776. The value of the entire merchandise exported by the company was 520,719*l.* in 1760 ; and in the course of the next fifteen years it varied from 471,499*l.*, which it was in 1773, to 653,000*l.*, which was the amount it reached in 1768. On the whole, however, the average amount, more especially down to 1770, was very much greater than it had ever been in any former period. The quantity of bullion exported, which in 1760 was only 91,924*l.*, hardly a tenth of what it had been nine or ten years before, and which in 1761 had sunk to 27,327*l.*, was in 1764 not less than 369,831*l.* ; and, although in 1766 it had been only 955*l.*, and none at all had been sent out in 1767, it was still 202,110*l.* in 1771 ; but for three of the following five years it was never much above 10,000*l.*, and was no more than 40,824*l.* in 1772, and no more than 109,422*l.* in 1776. This great diminution of later years in the money payments of the company was, in the prevalent notion, one of the chief indications, perhaps the chief indication, of the prosperity of the trade ; but, in the absence of any statement of actual profits, which indeed the manner in which the company's commercial were mixed up with their political transactions now made it almost impossible satisfactorily to ascertain, the most distinct register of the extension or contraction of the trade will be found in the total amount of the exports for each year, including money as well as goods. For the year 1760 the value of the total exports was 612,643*l.* ; after which it did not again reach the same amount till the year 1764, when it was 879,856*l.* For four of the six following years it was also above 800,000*l.* ; but in 1766 and 1767 it fell again

below 600,000*l.* In 1771 it was still 708,950*l.*; but in 1772 it was only 531,896*l.*, and in 1773 only 483,366*l.*; nor did it again reach 600,000*l.* till the year 1776, when it was 668,888*l.* Of the general imports of the company we have no account at this time; but the quantity of tea imported in each year is recorded from the year 1765. In that year its amount was 5,473,186 lbs.; and that was also about the average of the two following years. But in the five years from 1768 to 1772 it averaged above 8,000,000 lbs., having in 1769 been as high as 9,447,522 lbs. In 1773, however, it fell again to 4,577,477 lbs.; nor did it again reach so high as 7,000,000 lbs. in the next six years. The annual produce of the tea sales at this time was usually from 900,000*l.* to 1,200,000*l.*, out of which sum, however, the company had to pay the duties of custom and excise, amounting on an average to 700,000*l.* a-year. In the five prosperous or at least active years from 1768 to 1772 inclusive, the returns rose, indeed, to an annual average of 1,371,730*l.*; in 1770 they amounted to 1,555,968*l.*; but, on the other hand, in 1773 they were only 830,902*l.*, and in 1776 only 777,011*l.*

We will conclude our view of the commerce of the country during the interval from the termination of the Seven Years' War to the commencement of the war with the colonies by a short account of the progress of our shipping, of our general exports and imports, and of our customs revenue, throughout that peace of fourteen years' duration.

In 1761 the number of vessels belonging to all the ports of England was 6119, and their reputed burthen 405,793 tons; and the vessels belonging to Scotland were 956, measuring 51,523 tons. In 1763 the English shipping had increased to 6571 vessels, of 496,093 tons; the Scotch to 1062, of 59,862; making 7633 vessels, and 555,955 tons in all. And from this point the mercantile marine of both countries continued to grow, with little interruption, till in 1775 the number of English ships was 7549, having an aggregate burthen of 605,974 tons; and that of the Scotch 1559, weighing 91,330 tons.

making in all 9108 vessels and 697,304 tons. The increase, therefore, during the peace may be stated in round numbers at about 20 per cent. in the English shipping, and about 50 per cent. in that of Scotland. The amount of the British shipping annually cleared outwards, which in 1762 had been 543,444 tons, increased from 631,724 tons in 1763 to 901,016 tons in 1774; that of the foreign ships cleared outwards, which in 1762 had been 124,926 tons, declined from 91,593 tons in 1763 to 68,402 tons in 1774. In 1775 the quantity of British shipping cleared out was 882,579 tons, of foreign 68,034; making a total of 950,613 tons, instead of 723,317, the total amount for 1763. The increase of our export trade during the interval of peace, therefore, in so far as it was carried on by means of our own shipping, had not been much less than 50 per cent. The official value of the total exports from England, which, in 1762, the last year of the war, was 13,545,171*l.*, and in 1763 was 14,487,507*l.*, in 1771 reached the sum of 17,161,147*l.*, and in 1775 was still 15,202,366*l.* The exports from Scotland, which in 1762 were valued at 998,165*l.*, and in 1763 at 1,091,436*l.*, continued to increase, till in 1771 they attained the amount of 1,857,734*l.*, from which however they had declined to 1,123,998*l.* in 1775.* If we com-

* In considering the exports for a series of years, we may take along with us the remark of Chalmers, "that, when one year furnishes a great exportation, the next supplies the foreign markets with less; the third usually sends a cargo superior to the first; and the fourth gives often a smaller quantity than the last, the amount of which, however, is seldom below the level of the first." "This striking variation," Chalmers adds, "arises chiefly from the irregularities of universal demand, since foreign fairs are sometimes empty and sometimes full; and partly from the speculations, perhaps the caprice, of traders. And it has been shown from the most satisfactory proofs that the year of profound peace which immediately succeeds the conclusion of a lengthened war always exhibits a great exportation, because every merchant makes haste to be rich; thus 1698, 1714, 1749, 1764, 1785, and 1802 form epochs of great relative traffic."—*Historical View of the Domestic Economy of Great Britain and Ireland*, p. 324.

pare the year 1763, the first of the peace, with 1774, which was the last that can be considered not to have been disturbed by the shadow of the coming war, the entire increase of our export trade during this period of tranquillity would thus appear to have been only about nine per cent. Its real increase, however, was probably somewhat greater, inasmuch as the calculation of the official values takes no cognizance of any improvement in the qualities or prices of commodities, which yet is an element that materially enhances the profits of the trade. The augmentation of the imports was, according to the official tables, considerably greater; the value of those into England having risen from 8,870,284*l.* in 1762, and 11,665,036*l.* in 1763, to 13,275,599*l.* in 1774, and to 13,548,467*l.*, in 1775; and that of those into Scotland, which was only 708,925*l.* in 1762, and only 903,891*l.* in 1763, having become 1,202,276*l.* in 1774, and 1,267,388*l.* in 1775. Thus, the value of the British imports for 1763 having been 12,568,927*l.*, and that of those for 1774, 14,477,876*l.*, the increase from the one year to the other was about sixteen per cent. Putting the exports and imports together, the entire increase of our foreign trade between 1763 and 1774 was, according to the official accounts, from an annual amount of 28,147,870*l.* to one of 31,766,363*l.* In this actual increase of the amount of our trade, however, the popular theory perceived only a diminution of the national profits thence arising, inasmuch as the so-called balance in our favour, or the excess of exports over imports, had at the same time fallen from 3,010,016*l.* to 2,738,572*l.* Indeed the favourable balance had in 1764 been not less than 6,195,646*l.*, and in 1775 it was reduced for the whole of Great Britain to 1,510,508*l.*, while for Scotland it was actually converted into an unfavourable balance, the Scottish imports that year having been 1,267,388*l.* and the exports only 1,123,998*l.* We may add to these particulars a notice of the amount of customs annually paid into the exchequer, derived chiefly from exports:—it was 1,853,691*l.* in

* “Those duties had their commencement from the act of tonnage and poundage, at the Restoration, when the whole

1762; 2,249,604*l.* in 1763; 2,642,129*l.* in 1771; 2,567,770*l.* in 1774; and 2,481,031*l.* in 1775. Some few alterations of the rates, however, had taken place in the course of this series of years.

An arrangement which was calculated to operate favourably both upon the regular commerce and upon the revenue of the country was the purchase by parliament of the sovereignty of the Isle of Man from the Duke of Athol in 1765. In an act of parliament, passed in 1725, it is affirmed that, while "great sums of money are paid out of his majesty's duties of customs on account of debentures for tobacco, and other foreign goods and merchandises shipped for exportation to the Isle of Man," it had been "found by experience that the greatest part of such tobacco, and such other foreign commodities, are

customs did not much exceed 400,000*l.* This law, which imposed five per cent. of the value on goods exported as well as on goods imported, on domestic manufactures as well as on foreign merchandises, and which laid particular taxes on our own woollens, and double taxes on all goods when sent out by aliens, was surely framed by no very judicious plan, though two and a-half per cent. of the value were allowed to be drawn back on goods that, having been imported, should be again sent out in a twelvemonth. The publications of Mun, of Fortrey, and of Child, soon after the Restoration, diffused more acquaintance with commercial legislation. The alien duties on the export of native commodities and domestic manufactures were judiciously repealed in 1673. The taxes on the exportation of woollens, of corn, meal, and bread, were happily removed in 1700. Yet it was not till 1772 that, on a systematic consideration of the burthens which obstructed trade, all duties on the export of British manufactures were withdrawn, except on a few articles which, being regarded as materials, were still to be sent to rival nations with discouragements..... But the imports were discouraged then, and have been successively burthened with new subsidies and additional duties."—*Chalmers's Historical View*, p. 342. The Fortrey here mentioned is Samuel Fortrey, Esq., the author of a small tract, in only forty-three duodecimo pages, entitled "England's Interest and Improvement," which was published in 1763, and is also highly praised by Anderson.

shipped for the Isle of Man with no other intent than fraudulently to reland the same on the coast of Great Britain or Ireland, by which evil practices his majesty's revenues of customs are very much lessened, and the fair traders prejudiced and discouraged in their trade ;" and in order to prevent such frauds and abuses the commissioners of the treasury are by a subsequent clause authorised to effect the absolute purchase for his majesty of the lordship of the island from the Earl of Derby, to whom it then belonged.* But the negotiation begun at this time was not carried through, and the illicit traffic continued to flourish unchecked. In the "Tour through Great Britain," said to have been originally begun by Defoe and continued by Richardson, it is stated in a passage evidently written before the purchase of the island, although it stands unaltered in the edition before us printed in 1778, that the practice had been in existence for little more than half a century, but that it had been making very rapid progress all that time : if this was written by Richardson, as it probably was, a few years before the smuggling was put an end to, it would carry back its commencement to about the beginning of the century. "As everywhere else, so in this island," continues the writer of the Tour, "it has been attended with a numerous train of the most mischievous consequences. It was first introduced by foreign vessels landing their cargoes here, in order to elude the laws made for the benefit of British commerce, and by these means immense sums have been drained from these kingdoms. The goods thus landed are, from the convenient position of the isle, exported again in prodigious quantities in barks and boats into Wales, England, and Scotland, to the almost incomputable detriment of the revenue of the crown, and to the extreme prejudice also of the fair trader. But, independent of these injuries to their fellow subjects, it seems also to be in a fair way of becoming destructive to the island itself, by corrupting the manners of the inhabitants, and divesting them of all thoughts of honest improvements." It is added in a note,

* Stat. 12 Geo. I., c. 28.

that, in a memorial given in to the treasury many years ago by the fair traders of Cumberland, the pecuniary loss thus sustained by the public was estimated at not less than 400,000*l.* per annum ; and it was now supposed by many persons to be much greater. A short time before the purchase of the rights of the Duke of Athol, it was thought worth while to station a number of ships of war and cutters around the coasts of the island for the protection of the revenue and the legal trade.* At the same time it appears that the whole revenue drawn by the Duke of Athol did not average quite 7300*l.* a year, of which the customs paid to him as sovereign were somewhat above 6000*l.* Government therefore made a good bargain when it obtained from the duke the relinquishment of his right of levying these customs, and also of all his civil patronage in the island, for the sum of 70,000*l.*† It was now enacted that after the 1st of June, 1765, the revenue officers should search all vessels arriving in Man, and seize all goods illegally imported, in the same manner as in Great Britain ; that no foreign spirits should be carried thither but from England or Scotland ; and that none should be brought into the rest of the kingdom from thence.‡ At the same time another law was made taking away all bounties and drawbacks upon goods exported to the Faroe Islands, a practice having, it seems, grown up of shipping such goods for these more distant islands also, and afterwards relanding them in some part of Great Britain.§

The principal facts' illustrative of the history of our commerce during the colonial war have been so well collected and arranged, chiefly from official sources, and in some instances from unpublished documents, by the late George Chalmers, who held the office of chief clerk to the Board of Trade, that we cannot do better than present an abstract of the generally able and valuable portion of his work on the "Domestic Economy of Great Britain."

* Macpherson, *Annals*, iii. 405.

† His grace, however, afterwards obtained an additional grant.

‡ Stat. 5 Geo. III., c. 39.

§ Ibid., c. 43.

and Ireland," which goes over the ground from 1775 to 1783.*

On the average of the years 1772, 1773, and 1774, which may be regarded as the three last years of the peace, the total quantity of shipping cleared outwards from Great Britain was 966,074 tons (of which the foreign shipping amounted only to 66,443 tons); and during the same space the average estimated value of our exports was 17,128,029*l.* In 1775, 1776, and 1777, the first three years of the war, the average quantity of our shipping cleared outwards fell to 942,250 tons (of which 81,865 were foreign); and the average value of our exports to 14,857,697*l.* In 1778, when the French joined the Americans, the quantity of shipping cleared outwards sunk to 865,336 tons (of which 93,786 were foreign); and the value of our exports was only 12,253,995*l.* The addition, however, of Spain to the number of our enemies in the following year does not seem to have had any very serious effect on our trade, or what effect it had may have been counteracted by other causes; for in 1779, although the quantity of shipping cleared outwards was reduced to 792,003 tons (of which 149,040 were foreign), the estimated value of our exports rose to 13,189,325*l.*; and in 1780 the quantity of shipping rose to 885,397 tons (including 154,111 foreign), although the value of the exports declined to 12,648,616*l.* Finally, in 1781, when the Dutch had struck in, the shipping cleared outwards came to be only 778,994 tons (including 170,775 foreign), and the value of the exports only 11,342,296*l.* But this was the lowest point of depression which our trade touched in the course of the contest; in the very next year, 1782, the last year of actual hostilities, the quantity of shipping cleared outwards was 840,606 tons (including 225,456 foreign), and the value of the exports had risen to 13,017,391*l.*† The loss of the trade to America—the largest branch of our export trade—of course was alone enough to account

* Our references will be to the edition of 1812. In preceding editions the work is entitled "An Estimate of the Comparative Strength of Great Britain."

† Computed from two tables in Chalmers, pp. 164, 165.

for a great part of this falling off in the estimated value of the exports; but Chalmers is disposed to concur with a remark of Lord Auckland, "that, in the latter period, it may be doubted whether the dexterity of exporters, which in times of regular trade occasions ostentatious entries, may not, in many instances, have operated to under valuations." On the whole, however, it is admitted that in the course of no war since that of the Revolution was our shipping so much damaged, or our traffic so far driven from its usual channels. The alarm created by the interference of France first interrupted our general commerce; but the effect of that alone would probably have been soon overcome. "There was," it is observed, "an evident tendency in our traffic to rise in 1779, till the Spanish war imposed an additional burthen. There was a similar tendency in 1780, till the Dutch war added, in 1781, no inconsiderable weight. And the year 1781, accordingly, marks the lowest degree of depression, both of our navigation and our commerce, during the war of our colonies. But, with the same vigorous spirit, they both equally rose in 1782, as they had risen in former wars, to a superiority over our navigation and commerce during the year wherein hostilities with France began. We have beheld, too, on the return of complete peace, the spring of our traffic rebound with mighty force. A considerate eye may see this in 1783 and 1784, though the burthens of war were then removed with a much more tardy hand than in 1763 and 1764. Twenty years before, the preliminaries of peace were settled in November, 1762, and the definitive treaty with France and Spain was signed on the 10th of February thereafter; so that complete tranquillity was restored early in 1763. But, owing to the greater number and variety of belligerent powers, the last peace was fully established by much slower steps. The provisional articles were settled with the separated colonies in November, 1782. The preliminaries with France and Spain were adjusted in January, 1783. The definitive treaty with both and *with the United States of America* was signed on the 3rd of September, 1783. Though an armistice was agreed

on with Holland in February, 1783, preliminaries were not settled till September thereafter, and the definitive treaty was not signed till the 24th of May, 1784. And with Tippoo Saib, who was no mean antagonist, peace was not concluded till March, 1784.* These facts and dates ought to be kept in mind when a comparison is made between the averages of the last three years of the peace already given and the year 1783, in which the quantity of shipping cleared outwards was 1,037,905 tons (including 170,938 foreign), and the estimated value of the exports 15,468,287*l.*; the year 1784, in which the shipping was 1,050,487 tons (including 118,268 foreign) and the exports 15,734,062*l.*; and the year 1785, in which the shipping was 1,182,346 tons (including 107,484 foreign), and the exports 16,117,649*l.* Each of these years, it will be observed, exhibits an improvement upon its predecessor in all the three particulars, of the entire quantity of shipping cleared outwards, the proportion of the shipping which belonged to British owners, and the value of the exported cargoes. And it is remarkable that so early as 1784 even our exports to the United States already exceeded in amount what our exports to our American colonies had been on the average of the years 1771, 1772, 1773; their average annual value during these three years was 3,064,843*l.*; and their value in 1784 was 3,397,500*l.* "Yet," as Chalmers remarks, "the exportations of the years 1771-2-3 were, beyond example, great, because the colonists were even then preparing for subsequent events." "From the epoch," he adds, "that we have met industrious competitors in their ports, we have had too much reason to complain of having rather traded too much with a people who affect to be great traders without having great capitals."† The imports from America, however, which on the average of 1771-2-3 were estimated at the annual amount of 1,322,533*l.*, were no more than 749,329*l.* in 1784.

As connected with the American trade, the state of the Newfoundland fishery after the termination of the

* Chalmers, p. 169.

† Ibid., p. 173.

war may be noticed, and compared with its state after the peace of 1763. In 1764 the number of British ships engaged in the fishery was 141, weighing 14,819 tons; in 1784 it was 236, weighing 22,535 tons; in 1764 the number of British trading ships that arrived in Newfoundland was 97, weighing 11,924 tons; and in 1784 it was 60, weighing 6297 tons: in 1764 the number of colonial ships engaged in the fishery was 205, weighing 13,837 tons; in 1784 the number from the United States was only 50, of the aggregate burthen of 4202 tons: in 1764 the quantity of fish exported from Newfoundland was 470,188 quintals; in 1784 it was 497,884. Again, in 1765 the British fishing ships were 177, measuring 17,268 tons; the British trading ships 116, measuring 14,353 tons; the colonial ships 104, measuring 6927 tons; the quantity of fish exported 493,654 quintals: in 1785 the British fishing ships were 292, their burthen 26,528 tons; the British trading ships 85, their burthen 9202 tons; the ships from the United States 58, their burthen 6260 tons; and the quantity of fish exported 591,276 quintals. Thus, this fishery, instead of having been totally lost, as was the common cry of a certain class of speculators during the war, remained to a much greater extent in our own hands after the separation of the colonies than it had ever been before.

The Greenland fishery also continued to be carried on to a greater extent after than it had been before the American war. The number of ships that sailed to the Greenland seas from England in the four years from 1772 to 1775 inclusive, was 266 in all, making an annual average of 66½; the number in the four years from 1782 to 1785 inclusive was 314, or, on an average, 78½ annually. The number in 1775 was 96: in 1785, 140, besides 13 from Scotland; making in all 153.

On the subject of the general results of the American war and the emancipation of the colonies as affecting both the commercial and the other interests of the mother-country, the following remarks by Chalmers are sensible *as well as* ingenious:—"It is, indeed, fortunate for us that the French were so much blinded by the splendour

of giving independence to the British colonies, as not to see distinctly how much their interposition and their aid promoted the real advantage of Great Britain. When the colony-war began, the true interest of France consisted in protracting the entanglements which necessarily resulted from the virtual dependence of thirteen distant communities, claiming separate and sovereign rights, and which continued to enfeeble the British government by their pretensions, their clamours, and their opposition, till the dissatisfied provincials had, in the fulness of time, separated themselves, without any effort on their part, or any struggle on the side of Great Britain. From those embarrassments the French have, however, freed by their policy the rival nation. And they have even conferred on the people whom they wished to depress actual strength, by restoring unconsciously the ship-building, the freights, and the fisheries, of which the colonists had too much partaken, and which, with other facilities, have resulted to the mother-country from the absolute independence of the American states."* And again—"Had Great Britain, like Spain, received any public revenue from the transatlantic territories, she had doubtless lost this income by the independence of her colonies. If Great Britain has thereby lost sovereignty without jurisdiction, she has freed herself from the charges of protecting an extensive coast, without deducting anything from her naval strength; since the colony-sailors were protected by positive statute from being forced into the public service. While this nation has saved the annual expense of great military and civil establishments, it can hardly be said to have lost any commercial profits. And, by excluding the citizens of the United States from their accustomed participation in the gainful business of ship-building, of freights, and of fishery, Great Britain has, in fact, made considerable additions to her naval power. Thus, the means which were used to enfeeble this country have actually augmented its strength, whatever may have been the fate of the other belligerent parties."†

* Chalmers, p. 178.

† Ibid., p. 179.

A few facts remain to be stated, in order to bring down the history of the trade with the East Indies to the close of the present period. In 1777 the East India Company, having paid their debt to government, raised their dividend to seven per cent.; and in 1778 they raised it to eight per cent. On intelligence being received of the breaking out of the war with France in the latter year, the French establishments in Bengal and Coremandel were instantly attacked, and before the end of July all of them had fallen, except only Pondicherry, which was also compelled to surrender in October following. In 1781 the company obtained a new charter, continuing their exclusive commercial privileges and territorial possessions to the 1st of March, 1791. By this time they had become involved in the war with the Mahrattas and Hyder Ali, in the south of India, which, continued after the death of Hyder, in 1782, by his son Tippoo Saib, aided by the French, was not terminated till 1784. In November, 1783, Mr. Fox, then minister, brought forward his two bills for a new regulation of the affairs of the company, the defeat of which determined also the fate of the government. In the course of the discussions to which these measures gave rise in the House of Commons, it was stated that the sums contributed to the revenue for customs and excise upon the company's trade for the preceding fifteen years had amounted to not less than 19,889,673*l.*, besides which they had paid 2,569,399*l.* for being secured in their privileges and territorial revenue, and had in 1779 made the public the magnificent present of three seventy-fours and six thousand seamen, which cost them 109,002*l.* Their losses by the late war they estimated at 3,856,666*l.*, over and above the charges of the four unfortunate cargoes of tea sent to America in 1773. And during the whole fifteen years their dividends, about the extravagance of which so much was said, had only amounted to 3,788,644*l.* In January, 1784, Mr. Pitt, now first lord of the Treasury, brought in his first bill for the better government of India, the *rejection* of which occasioned the dissolution of parliament in March following; but his second bill, establishing the

Board of Control, was passed by the new parliament in August of that same year.

The estimated value of the entire exports of the company in 1776 was 668,888*l.*, inclusive of 109,422*l.* of bullion; nor throughout the remainder of the period now under review did the amount of merchandise sent out vary much, although to the year 1784 inclusive the bullion never again amounted to much above 10,000*l.*, except in 1780, when it was 15,014*l.*, after which there was no export of gold or silver at all till the year 1785. In 1784 goods were exported to the value of 418,747*l.*, which was rather under the average amount. A very considerable proportion of the exports at this time still consisted of woollens: thus, the prime cost of the woollen goods taken out by the company in 1781 was 350,005*l.*; in 1782, 218,826*l.*; in 1783, 209,024*l.*; in 1784, 238,946*l.* Of these quantities there were sent in 1781 to Bengal to the value of 61,829*l.*, in 1784 to that of 32,305*l.*; to Madras in 1781 to the value of 20,742*l.*, in 1784 to that of 24,654*l.*; to Bombay in 1781 to the value of 118,176*l.*, in 1784 to that of 34,472*l.*; to China in 1781 to the value of 129,179*l.*, in 1784 to that of 146,741*l.*; to St. Helena in 1781 to the value of 79*l.*, in 1784 to that of 774*l.* From the year 1776 we have also an account of the estimated value of the imports of the company; from which it appears that in that year they amounted to 3,263,377*l.*, and that for the next seven years they fluctuated between 3,589,854*l.*, which was their amount in 1778, and 2,853,528*l.*, to which they fell in 1779. Tea continued to be the principal article brought home: the quantity, which in 1776 was 4,577,953 lbs., which sold for 777,011*l.* (including the duty), had risen by the year 1780 to 7,559,278 lbs., the produce of the sale of which (inclusive of the duty) was 1,309,305*l.* For the next three years the importations were somewhat less, but in 1783 the quantity of tea brought home by the company was still 5,857,883 lbs., and the produce of the sales, with the duty, 1,131,342*l.* With the year 1784 commenced a new era of the tea trade, the effect of Mr. Pitt's Commutation Act, passed in that year; the

account of which, however, must be reserved for the next Chapter.

Another peculiarly circumstanced branch of our foreign commerce, as it was at this time considered, was our trade with Ireland. The modern commerce, and indeed civilization generally, of Ireland may be regarded as taking its commencement from the reign of James I. Chalmers quotes an unpublished document, from which it appears that in 1626, among the exports from Ireland were 449 tons of iron, 557 tons of lumber, 398,400 barrel staves, 409 hogshead staves, and 25,000 pipe staves. Lumber, the produce of a country not yet cleared of its natural woods, continued to be exported from Ireland even so late as 1669.* But, besides agricultural produce and fish, some coarse manufactures were also exported in the early part of the seventeenth century; and these other branches were improving as the timber trade declined. The great civil war swept away for a time all this growing prosperity; but after the Restoration the commerce rapidly revived; so that in the year 1665 the exports were estimated at 358,077*l.* Among them, for the first time, appear linen yarn (to the value of 17,385*l.*) and linen cloth (to that of 590*l.*): the remainder consisted of agricultural produce (including, however, some woollen goods), 309,808*l.*; fish, 24,107*l.*; skins of wild animals, 268*l.*; wood, 238*l.*; manufactured iron, 111*l.* Of the entire exports England took about a half, consisting principally of live cattle, sheep, wool, linen, and yarn, and of about three-fourths of all the other articles.† The imports to Ireland that year were, from England 200,450*l.*; from foreign countries 135,593*l.*; in all 336,043*l.*; of which the tobacco amounted to 70,000*l.*; and the wine to 50,000*l.* By the year 1681 the Irish exports had risen to 582,814*l.* and the imports

* Domestic Economy of Great Britain and Ireland, p. 409, note.

† These particulars Chalmers took from documents which he found in the paper-office, having been sent to Mr. Secretary Williamson by Sir Peter Pett (in the reign of Charles II.)—Domestic Economy, p. 412.

to 433,040*l.* The war of the Revolution again interrupted the progress of industry and trade ; such indeed was the state to which the country was reduced by the distress of the time that the entire gross revenue collected in Ireland was in 1689 only 11,814*l.*, and in 1690 only 116,112*l.*; nor in 1694 was it more than 297,149*l.* But tranquil times gradually brought back the old prosperity ; by the year 1697 the exports had again risen to 525,004*l.*, the imports to 423,182*l.*; and the next year, after the war with France had been terminated by the peace of Ryswick, the exports at once bounded up to 996,305*l.*, and the imports to 576,863*l.* The restrictions upon the rising woollen manufacture of Ireland, which were soon after this begun to be imposed by the English parliament, considerably affected the trade for 1700, 1701, and 1702 ; but still for the three years ending with 1701 the average of the exports was 779,109*l.*, and that of the imports 726,559*l.* But the very prospect of war in 1702 reduced the exports to 493,435*l.*, and the imports to 475,158*l.*; nor did they recover their former amount till after the peace of Utrecht. For the three years 1713, 1714, 1715, the average annual amount of the exports was 1,280,810*l.*; of the imports 882,829*l.* From this date, however, the trade rather declined for some years upon the whole, so that for the three years ending with 1728, the annual average of the exports was 1,035,576*l.*, and that of the imports 916,895*l.*; making together only 1,952,472*l.*, instead of 2,163,639*l.*, the amount of the two thirteen years before. Chalmers conceives that this falling off was principally owing to the uncertain condition of political affairs, and to the extensive stock-jobbing both in France and England, which had so shaken private credit. But in ten years more the trade of Ireland had recovered the point at which it stood at the beginning of the reign of George I. For the three years ending with 1738, the last of the peace, the exports averaged 1,232,446*l.*, the imports 951,548*l.*; making together 2,183,994*l.* And for the three years that followed the peace of Aix-la-Chapelle—1749-50-51—the exports averaged 1,858,606*l.*, the imports 1,497,437*l.*

making a total of 3,356,043*l.** In the year 1755, again, the exports were 2,047,660*l.*, the imports 1,711,552*l.*; making an aggregate amount of 3,759,212*l.* Nor did even the war that broke out in the following year prevent the continuance of this advancing movement. For the three years ending with 1762, which were years of war, the average of the Irish exports was 2,274,422*l.*, of the imports 1,696,764*l.*; making together 3,971,186*l.* Much of this flourishing trade consisted in the exportation of beef, butter, and other provisions, the demand for which was rather augmented than otherwise by the war. But the peace that followed brought a still higher degree of prosperity ; the average of the annual exports for the three years ending with 1772 having been 3,302,576*l.*, that of the imports 2,415,785*l.*; making a total of 5,718,361*l.* In the midst of the embarrassments of the colonial war the Irish successfully demanded freedom of trade and industry, as well as legislative independence and general political freedom ; and various acts were passed by the English parliament in 1778, 1779, and 1780, for undoing the work of more than a century of restrictive policy. The following summary of these acts is given by Chalmers :—“ By the 18 Geo. III., c. 55, certain goods were allowed to be exported directly from Ireland into the British plantations in America, and to the British settlements in Africa ; and Irish-built ships were declared to be entitled to the same privileges as British. By the 18 Geo. III., c. 61, Papists were relieved from the disability of holding estates in Ireland. By the 19 Geo. III., c. 35, tobacco of Irish growth was allowed to be imported into Britain. By the 19 Geo. III., c. 37, bounties on the importation of Irish hemp were granted. By the 20 Geo. III., c. 6, restraints on the export of woollen drapery and glass from Ireland were repealed. By the 20 Geo. III., c. 10, a free trade with the British settlements in America, with the British West Indies, and the British settlements in Africa, was

* This is the total obtained by the addition of the sums given by Chalmers at p. 420. Elsewhere (p. 416) he makes the total to be 3,554,042*l.*

allowed. By the 20 Geo. III., c. 18, the Turkey trade was laid open to the Irish people; and by the same statute gold and silver were allowed to be exported to Ireland." Chalmers contends that, notwithstanding these concessions, the commerce of Ireland languished during the years 1780, 1781, and 1782: "The fact is," says he, "however men may talk about freedom of trade, and whatever may be granted to the vehemence of their requests, without adequate capital, enlargement of enterprise, and the diffusion of correspondence, commerce cannot be much extended." But it appears, nevertheless, that the sum of the average annual exports and imports of Ireland for the three years ending with 1782, although these were years of war, rather exceeded the sum of those for the three years of peace ending with 1772; the exports being now 3,102,938*l.*, the imports 2,748,293*l.*; making together 5,851,231*l.* And Chalmers admits further that, as he rather spleenetically expresses it, "the exports and imports of the subsequent years 1784 and 1785 did somewhat surpass the commerce of 1770-1-2, *after the United States had opened their guilty ports to the Irish trade.*"*

We may add, in connexion with this subject, that the legal rate of interest in Ireland had been reduced in 1704 from ten per cent. to eight; in 1722 to seven; and in 1732 to six per cent., at which it remained throughout the present period.

The royal navy at the commencement of the reign of George III. is stated to have consisted of 2 first-rates, carrying each from 96 to 110 guns; 11 second-rates, carrying from 84 to 90 guns; 60 third-rates, of from 64 to 80 guns; 43 fourth-rates, of from 48 to 60 guns; 71 fifth-rates, of from 26 to 44 guns; 40 sixth-rates, of from 16 to 24 guns; 68 sloops, of from 8 to 14 guns; 12 bomb-vessels; 10 fire-ships; 4 store-ships; 39 hired armed vessels; 7 royal yachts; and 5 small yachts; in all 372 vessels.† The entire registered measurement of the navy, which in 1754 had been 226,246 tons, was in 1760, 300,416 tons, but by 1774 had declined to 276,046 tons. During the six years of war, however,

* *Domestic Economy*, p. 425. † Macpherson, *Annals*, iii. 350.

from 1775 to 1781, there were built, 44 ships of the line, carrying in all 3002 guns, and weighing 56,144 tons ; 110 ships, carrying 3331 guns, and weighing 53,350 tons ; and 160 sloops, carrying 2555 guns, and weighing 37,160 tons ; making altogether an addition of 146,654 tons. Many of these ships were lost or taken in the course of the war ; yet there were in commission in January, 1783, 20 men-of-war of from 80 to 108 guns ; 44 of 74 guns ; 45 of from 60 to 68 ; 18 of 50 ; 64 frigates, carrying each more than 30 guns ; 15 frigates carrying less than 30 each ; 110 sloops, of 18 guns and under ; 15 fire-ships and bombs ; and 26 hired armed ships ; making in all 393 vessels, which were navigated by 104,978 seamen. And there were also 17 ships, of from 60 to 98 guns each, ready to be commissioned.*

We may here note the progress of the revenue of the post-office during the present period, as affording perhaps a better index than any other single fact of the advancing commercial activity of the nation. A considerable reform of the system of the post-office signalled the commencement of this period, and a still greater its close. The former, effected by an act passed in 1764, consisted in the regulation of the privilege of franking, which up to this time was exercised by the member of parliament, or other authorised person, simply writing his name on the corner of a blank cover, and leaving the person to whom it was given afterwards to add any address he pleased. Parcels of such franks used to be obtained from members by their friends and put aside for use, just as the stamped covers sold by the post-office now are ; and there was even a regular trade carried on in the retailing of franks, which it was common for the servants of members to ask their masters to sign in great numbers at a time. Franks, too, were believed to be forged to a large extent, however unnecessary that would appear to be under so very liberal a system. On the whole it was calculated that, if the usual rates were paid upon all the franked letters that passed through the post-office, the addition to the annual

* Chalmers, Domestic Economy, pp. 161—163.

revenue of that establishment would have been not less than 170,000*l.* In 1755, only nine years before this time, the gross income of the post-office was no more than 210,663*l.*; and even for the year ending 5th April, 1765, after the new system, which considerably restricted the privilege of franking, had been nearly twelve months in operation, it was only 281,535*l.* The rates were raised in 1765, but it may be doubted if that measure did not rather check the advancing productiveness of the establishment. By 1775, however, the gross revenue had risen to 345,321*l.*; and in 1784 it was 420,101*l.* The great plan of reform suggested by the celebrated John Palmer was now brought into operation. A curious account of the old post-office system is given in the exposition of his scheme which was submitted by Mr. Palmer to Mr. Pitt in 1783. "The post at present," says this memoir, "instead of being the swiftest, is almost the slowest conveyance in this country; and, though, from the great improvement in our roads, other carriers have proportionably mended their speed, the post is as slow as ever. It is likewise very unsafe, as the frequent robberies of it testify; and, to avoid a loss of this nature, people generally cut bank-bills, or bills at sight, in two, and send the parts by different posts. The postmaster-general lately advertised directions to the public how to divide a bill in such a manner as to prevent its being of any use to the robber. Rewards have also been frequently offered by him for the best constructed mail-cart, on some plan to prevent the frequent robbery of the mail, but without effect. Indeed, it is at present generally entrusted to some idle boy, without character, mounted on a worn-out hack, and who, so far from being able to defend himself, or escape from a robber, is much more likely to be in league with him." The existence of such a state of things as this little more than sixty years ago is a fact which it strains one's faith or imagination fully to believe or understand. Yet, notwithstanding all this social barbarism, for so we may truly call it, the common coaches, or diligences, as they appear to have been designated, had already made a con-

siderable advance to the admirable system of speed and punctuality which they afterwards attained, and which, now that a still more rapid mode of locomotion has almost everywhere been substituted, we may venture to describe as the perfection of horse travelling on common roads. Palmer mentions that the diligence which in 1783 left Bath at four or five o'clock on Monday afternoon would deliver a letter in London about ten on Tuesday morning, which is nearly as much as would have been done by some of the coaches that were on that road only a very few years ago. The post, however, that left Bath at ten or eleven on Monday night did not at this time deliver its letters in London till two or three on Wednesday afternoon, and frequently not till much later. The only advantage of the post was its greater cheapness ; the postage of a letter from Bath to London was only 4*d.* ; whereas booking, carriage, and porterage made the charge by the diligence amount to about 2*s.* ; " nevertheless," says the memoir, " many persons both at Bath and Bristol send by the latter ; and, indeed, throughout the kingdom, every letter to which expedition is necessary is now sent by diligences, where they are established." Diligences, it is added, were now established from almost every town in the kingdom to London, and also between many of the principal towns, as from Bath and Bristol to Birmingham, Liverpool, Chester, Oxford, Exeter, Plymouth, Portsmouth, &c." Besides his admirable suggestions for the acceleration of the mails, and for ensuring both the safety of the letters and the punctuality of their transmission and delivery, Palmer, whom Pitt, greatly to his credit, appointed to superintend the carrying of his own plans into effect in the character of comptroller-general of the post-office, advised that the rates of postage should be somewhat altered, and also that the privilege of franking should be still further regulated and curtailed ; and this was done by an act of parliament passed in 1784, which required members not only to write the whole address on each letter, but to add besides the name of the post-town from which it was to be sent, and the date in words ; so that the letter, if dispatched on any other day,

should be charged with postage. The immediate effect of these improvements was to raise the gross income of the establishment for the year ending 5th April, 1785, to 463,753*l.*, and the increase was steadily progressive for many years after.

The only novelty in the history of our coinage within the present period was the coinage of gold pieces of the value of 5*s.* 3*d.*, called quarter-guineas, in 1761. These pieces, however, from their smallness, were found inconvenient, and they continued in circulation only for a few years. Scarcely any silver was coined in the first twenty-five years of the reign of George III. ; but the quantity of gold was very great, nearly 20,000,000*l.* in guineas and in half-guineas having issued from the mint only in the five years from 1773 to 1777 inclusive, after all the old gold in circulation had been called in,

CHAPTER XI.

FROM THE TERMINATION OF THE CONTEST WITH AMERICA TO THE PEACE OF AMIENS.—A.D. 1784—1801.

THE commercial history of the present period naturally divides itself into two distinct portions, corresponding to the nearly equal spaces of time, during the one of which we were in a state of peace, during the other in a state of war. The former may be considered as ranging over the eight years from 1785 to 1792 inclusive.

There can be no doubt that this was a time of decided economical advancement, and of great and generally diffused prosperity, both in England and throughout Europe. The old effect of the temporary check given to speculation and industry by the pressure of war, as if that impediment operated like a dam thrown across a river, only accumulating a force of water which never could have otherwise been obtained,—or like the curb applied to a high-mettled steed,—or like the iron gripe of winter, concocting the earth, and renovating those powers of vegetation which it seems for the moment to destroy—was now everywhere felt. Enterprise awoke from its lethargy like a giant refreshed by sleep; capital, long kept stationary and inactive, not only returned with a new spirit to its old channels, but found for itself many new vents, which it might have been long enough in discovering if its customary flow had suffered no interruption, and some of which were probably created by the general break-up of established relations wrought by the war. In short, it was the common natural phenomenon of the clearest sky and purest air after the stormiest weather, or the highest health after a fit of sickness, which, besides rinsing the system, has given it rest to acquire a tone it never would have acquired if the wear and tear of its ordinary movements had not been so arrested.

The most comprehensive and authentic measure we possess of the progress of our foreign trade—which again may be taken as an index of the general state of our commercial and industrial activity—is the official register of exports and imports; which, however, must still be read with the recollection of what was explained in the last Chapter, that down to the year 1798 it indicates quantities only, and not values. And it is also to be remembered that throughout the present period Ireland is regarded in these accounts as a foreign country. It appears, then, that in 1782, the last year of the American war, the total amount of the imports into Great Britain was 10,341,628*l.*, and of the exports thence to all parts of the world 18,009,458*l.*; that in 1783 the imports were 13,122,235*l.*, the exports 14,681,494*l.*; that in 1784 the imports were 15,272,877*l.*, the exports 15,101,491*l.*; and that for the next eight years the amounts were as follows:—in 1785, imports 16,279,419*l.*, exports 16,117,168*l.*; in 1786, imports 15,786,072*l.*, exports 16,300,730*l.*; in 1787, imports 17,804,024*l.*, exports 16,869,789*l.*; in 1788, imports 18,027,170*l.*, exports 17,472,238*l.*; in 1789, imports 17,821,102*l.*, exports 19,340,548*l.*; in 1790, imports 19,130,886*l.*, exports 20,120,121*l.*; in 1791, imports 19,669,782*l.*, exports 22,731,995*l.*; in 1792, imports 19,659,358*l.*, exports 24,905,200*l.** Thus we see that in the ten years of peace, from 1782 to 1792, the entire foreign trade of the country may be said to have very nearly doubled: indeed, it would probably be found to have

* From the Official Abstracts, as printed in full in Macpherson's "Annals of Commerce," under the respective years. The amounts for some of the earlier years differ somewhat from those given in the last Chapter, which were taken from the Chronological Table in Chalmers's "Historical View," opposite to p. 315. In the Continuation of Anderson, vol. iv., 1789, the figures are different from those given either by Macpherson or Chalmers. We have followed Macpherson's account in the text, as being the only complete one of the three; and, for our present purpose, the variations between it and the others are of little consequence.

increased in more than that proportion, if we had the means of ascertaining the value (which is the true essential measure) of our exports and imports, as well as their mere quantity.

The growth of our foreign trade thus indicated is borne out by the account of the tonnage of the ships entered inward and cleared outward during the same period, which is as follows:—

	Tons.	Tons.
In 1782, inward	777,253,	outward 851,512
1783, inward	1,135,674,	outward 1,039,045
1784, inward	1,215,702,	outward 1,050,487
1785, inward	1,241,761,	outward 1,182,479
1786, inward	1,264,356,	outward 1,236,219
1787, inward	1,316,501,	outward 1,349,419
1788, inward	1,558,172,	outward 1,540,686
1789, inward	1,589,009,	outward 1,591,838
1790, inward	1,705,975,	outward 1,548,207
1791, inward	1,773,862,	outward 1,696,023
1792, inward	1,891,711,	outward 1,739,300.*

Here, again, we have the amounts more than doubled in the ten years.

To this may be added the number and tonnage of the vessels belonging in each of the years to all the ports of Great Britain; which were, in 1782, 7936 vessels, measuring 615,281 tons; in 1783, 8342 of 669,802; in 1784, 9111 of 793,147; in 1785, 9753 of 859,606; in 1786, 10,382 of 932,018; in 1787, 10,411 of 1,087,874; in 1788, 11,222 of 1,204,484; in 1789, 11,496 of 1,229,644; in 1790, 12,060 of 1,287,025; in 1791, 12,526 of 1,329,968; in 1792, 12,776 of 1,348,884.† Once more here are the figures doubled within the ten

* From the tables under the respective years in Macpherson—for the last four years by computation from his tables. The Chronological Account, in Chalmers, gives the tonnage of the ships cleared outwards; and, although his figures do not quite coincide with Macpherson's, the differences are not considerable.

† From the statements under the respective years in Macpherson.

years; but it is probable that the real increase was even greater than this, for after 1787 the system of measurement was made much stricter, and the legal description of what constituted a British vessel more rigidly defined and limited, by the two shipping and registry acts, the 26 Geo. III. c. 60, and 27 Geo. III. c. 19, passed in that and the preceding year. As the account stands, however, it exhibits not only an increase in the proportion of two to one between the last year of the war and the last year of the succeeding peace, but a steadily progressive advance throughout the ten years. The expansion of our foreign commerce appears to have, during that time, not once received a check. And that which makes the most exhilarating prosperity, whether to nations or individuals, is not the actual wealth they may possess, but the fact that they are every day growing richer—that they are going forward and not falling back: to remain stationary is, for communities at least, hardly possible.

The Customs duties do not furnish quite so distinct an index of the progress of our foreign trade during this space of time, for various reasons. In 1784 the duty called petty custom, and other additional duties levied upon the goods of aliens, and also a duty of one per cent. on all trade in the Mediterranean Sea beyond Malaga, were repealed by the 24 Geo. III. sess. 2, c. 16, which set forth that such duties and restrictions were, "by the alteration of the trade now carried on between this kingdom and foreign states, in some cases become an unnecessary burden upon commerce, without producing any real advantage to the public revenue;" and in 1787 the inextricable confusion of the old rates was wholly swept away, and a new and simplified system established by the Consolidation Act, the 27 Geo. III. c. 13. In 1786, also the wine duties were altered and placed under new regulations (by the 26 Geo. III. c. 59); and in 1789 a similar extensive change was made in regard to the duties on tobacco and snuff, the greater part of which were transferred from the Customs to the Excise (by the 29 Geo. III. c. 68). The net amount of Customs paid into the exchequer is stated to have been, in 1782

2,861,563*l.*; in 1783, 2,848,320*l.*; in 1784, 3,326,639*l.*; in 1785, 4,592,091*l.*; in 1786, 4,076,911*l.* But the Customs revenue for the two last-mentioned years was somewhat increased beyond its due amount by certain payments having been then received from the East India Company which were properly due in 1782 and 1783. In 1787 the net amount of Customs was 3,673,807*l.*; in 1788, 3,780,770*l.*; in 1789, 3,710,343*l.*; in 1790, 3,782,822*l.*; in 1791, 3,952,507*l.*; in 1792, 4,027,230*l.* It is to be remembered that the system of drawbacks, or the remission of duties upon the re-exportation of many commodities, in great part destroys the utility of the Customs revenue as an index of the fluctuations of our foreign trade, which may expand or contract considerably in several of its departments without much affecting the revenue. To make the Customs a true measure of the trade, the gross receipts ought to be given, with the addition of the drawbacks, and also of the bounties.

The only important commercial arrangement with any foreign country that was made by Great Britain during this interval of peace was that entered into with France by the Treaty of Commerce and Navigation signed at Versailles on the 26th of September, 1786, and confirmed in the following year by parliament, both Houses of which, on the 8th of March, 1787, concurred in an address, thanking his majesty for this additional proof of his constant attention to the welfare and happiness of his subjects, and soon after (by the act of the 27 Geo. III. c. 13, passed 25th April) adopted the necessary measures for carrying the provisions of the treaty into effect. This treaty, commonly named after Mr. William Eden (afterwards Lord Auckland), by whom it was negotiated, was founded on principles more liberal than had ever before, or have ever since, been recognised in any similar compact between England and France. It commenced with a joint declaration by his Britannic Majesty and his Most Christian Majesty of their desire to establish "a system of commerce on the basis of reciprocity and mutual convenience, which, by discontinuing the prohibitions and prohibitory duties which have existed for almost a century between the two nations

might procure the most solid advantages on both sides to the national productions and industry, and put an end to contraband trade, no less injurious to the public revenue than to that lawful commerce which is alone entitled to protection." In the spirit of this profession it was stipulated, in the first place, that there should be "a reciprocal and entirely perfect liberty of navigation and commerce between the subjects of each party, in all and every the kingdoms, states, provinces, and territories subject to their majesties in Europe, for all and singular kinds of goods in those places;" and by the second article it was declared that, even in the case of a rupture breaking out between the two crowns—"which rupture," said the treaty, "shall not be deemed to exist until the recalling or sending home of the respective ambassadors and ministers"—the subjects of either power residing in the dominions of the other should be allowed to remain and continue their trade, without any manner of disturbance, so long as they behaved peaceably and committed no offence against the laws of the country; "and in case," it was added, "their conduct should render them suspected, and the respective governments should be obliged to order them to remove, the term of twelve months shall be allowed them for that purpose, in order that they may remove with their effects and property whether intrusted to individuals or to the state." The third article bound the subjects of either party to abstain from all acts of hostility against those of the other, either by sea or land, and to accept of no patent or commission for privateering from any princes or states enemies to the other party; either government, as often as required by the other, engaging to visit transgressors with the severest penalties in its power to inflict. If such an agreement as this had subsisted between the two countries during the peace that succeeded the Seven Years' War, the private adventurers who flocked from France to assist the Americans at the commencement of their rebellion could not have been permitted by their government to gratify their peculiar *sympathies* in that manner; and the insertion of th

article in the present treaty may be regarded as a condemnation, or renunciation at least, by the French court, of the policy which it had then pursued. By the next article liberty was secured to the subjects of either sovereign, "without licence or passport, general or special, by land or by sea, or any other way," to enter, return from, pass through, or remain in, any dominions, towns, or other places whatsoever in Europe belonging to the other, therein to purchase whatever they pleased ; "and they shall mutually," said the article, "be treated with all kindness and favour." The fifth article put English and French subjects on the same footing as to the right of coming with ships and merchandises to all places belonging to either government in Europe, to hire houses, to warehouse their goods, &c., subject to no other impositions or duties than were provided by the treaty, or were payable by the native-born as well as the foreign trader. "In matters of religion," it was added, "the subjects of the two crowns shall enjoy perfect liberty : they shall not be compelled to attend divine service, whether in churches or elsewhere ; but, on the contrary, they shall be permitted, without any molestation, to perform the exercises of their religion privately in their own houses, and in their own way. Liberty shall not be refused to bury the subjects of either kingdom who die in the territories of the other, in convenient places to be appointed for that purpose ; nor shall the funerals or sepulchres of the deceased be in anywise disturbed." Then followed the tariff, or list of duties on certain goods and merchandises, of which the following were the chief items :—The wines of France, imported direct from France into Great Britain, to pay the same duties then paid by the wines of Portugal (the same abandonment of the principle of the Methuen Treaty which had proved fatal to the treaty of commerce entered into by the two governments after the peace of Utrecht) ; the duty upon French vinegars to be reduced by rather more than one-half (from 67*l.* 5*s.* 3*12d.* per ton, to 32*l.* 18*s.* 10*20d.*) ; the duty on French brandies to be reduced from 9*s.* 6*12d.* to 7*s.* per gallon ; olive-oil, direct

from France, to pay no higher duty than that paid for the same from the most favoured nations; beer to pay reciprocally an *ad valorem* duty of 30 per cent.; the duties on hard-ware, cutlery, cabinet-ware, turnery, and all works of iron, steel, copper, and brass, not to exceed 30 per cent. *ad valorem*; all sorts of cottons, and also of woollens, manufactured in the dominions of the two sovereigns in Europe, to pay in both countries an import duty of 12 per cent. *ad valorem* (fabrics of cotton or wool mixed with silk, however, remaining prohibited on both sides); French and English linens to pay reciprocally no higher duties than were then paid by those of Holland or Flanders imported into Great Britain; cambrics and lawns to pay reciprocally an import duty of 5*s.* per demi-piece of 7*½* yards; saddlery, a reciprocal *ad valorem* duty of 15 per cent.; gauzes, one of 10 per cent.; and millinery, porcelain and earthenware, and glass (including plate-glass), one of 12 per cent. "The duties above specified," said a subsequent article, "are not to be altered but by mutual consent; and the merchandises not above specified shall pay, in the dominions of the two sovereigns, the import and export duties payable in each of the said dominions by the most favoured European nations at the time the present treaty bears date; and the ships belonging to the subjects of the said dominions shall also respectively enjoy therein all the privileges and advantages which are granted to those of the most favoured European nations." In case either government should afterwards grant any additional advantages in navigation or trade to any other European nation, it was stipulated that the subjects of the other should participate therein; without prejudice, however, to advantages which they might reserve, France in favour of Spain, in compliance with the Family Compact signed 10th May 1761; England in conformity to her convention of 1703 with Portugal (the Methuen Treaty). Then followed various regulations which need not be quoted. By the 16th article it was agreed that foreign privateers, not being subjects of either crown, who had commissions from any other prince or state at enmity with either

nation, should not be allowed to arm their ships in the ports of either of the two kingdoms, or to sell or exchange what they had taken, or even to purchase victuals, except only such as should be necessary for their going to the nearest port belonging to the power by whom they were commissioned. On the other hand, the subjects of either of the two contracting powers were to have full liberty to sail with their ships to the ports of countries at war with the other ; and it was stipulated that everything should be deemed free which should be found on board such ships, " although the whole lading, or part thereof, should belong to the enemies of their majesties," with the exception only of the following commodities, which were to be considered contraband or prohibited : namely, " arms, cannon, harquebusses, mortars, petards, bombs, grenades, saucises, carcasses, carriages for cannon, musket-rests, bandoleers, gunpowder, match, saltpetre, ball, pikes, swords, head-pieces, helmets, cuirasses, halberts, javelins, holsters, belts, horses and harness, and all other like kinds of arms and warlike instruments fit for the use of troops." But, it is expressly added, after this curious enumeration of the military weapons and artillery of the day, " these merchandises which follow shall not be reckoned among contraband goods : that is to say, all sorts of cloth, and all other manufactures of wool, flax, silk, cotton, or any other materials ; all kinds of wearing apparel, together with the articles of which they are usually made ; gold, silver, coined or uncoined, tin, iron, lead, copper, brass, coals ; as also wheat and barley, and any other kind of corn and pulse ; tobacco, and all kinds of spices ; salted and smoked flesh, salted fish, cheese and butter, beer, oil, wines, sugar, all sorts of salt, and of provisions which serve for sustenance and food to mankind ; also all kinds of cotton, cordage, cables, sails, sailcloth, hemp, tallow, pitch, tar, and rosin, anchors and any parts of anchors, ship-masts, planks, timber of all kinds of trees, and all other things proper either for building or repairing ships. *Nor shall any goods whatever, which have not been worked into the form of any instrument or furniture for*

warlike use, by land or by sea, be reputed contraband, much less such as have been already wrought and made up for any other purpose." This was giving as limited a definition to warlike stores as the thing could well bear, and as large an interpretation to the rights of neutrality (only, however, between the two nations) as could be allowed without extinguishing all distinction between a neutral power and an enemy's ally. It may interest readers of the present day to quote the regulation established for the exercise of the right of search by any man-of-war or privateer of the one country meeting a ship belonging to the other, "either on the coast or on the high seas:"—a previous article having provided that all merchant-ships in war-time should be furnished with "sea-letters or passports, expressing the name, property, and bulk of the ship, as also the name and place of abode of the master or commander," and, if laden, "also with certificates containing the several particulars of the cargo, the place from whence the ship sailed, and whither she is bound;" the 26th article says, "the said men-of-war and privateers, for preventing any inconveniences, are to remain out of cannon-shot, and to send their boats to the merchant-ship which may be met with, and shall enter her to the number of two or three men only, to whom the master or commander of such ship or vessel shall show his passport containing the proof of the property of the ship, made out according to the form annexed to this present treaty; and the ship which shall have exhibited the same shall have liberty to continue her voyage, and it shall be wholly unlawful any way to molest or search her, or to chase or compel her to alter her course." Ships going to an enemy's port, "concerning whose voyage, and the sort of goods on board, there may be just cause of suspicion," were to be obliged, both on the high seas and in ports and havens where they might put in, to exhibit not only their passports, but their certificates. Contraband or alleged contraband goods, if discovered in the certificate, were not to be seized. "It shall be unlawful," says the 28th article, "to break up or open the hatches, chests, casks, bales, or other vessels,

found on board such ship, or to remove even the smallest parcel of the goods . . . unless the lading be brought on shore, in the presence of the officers of the court of admiralty, and an inventory made by them of the said goods ; nor shall it be lawful to sell, exchange, or alienate the same in any manner, unless after due and lawful process shall have been had against such prohibited goods, and the judges of the admiralty respectively shall, by sentence pronounced, have confiscated the same, *saving always as well the ship itself as the other goods found therein which by this treaty are to be accounted free* ; neither may they be detained on pretence of their being mixed with prohibited goods, much less shall they be confiscated as lawful prize ; and, if, when only part of the cargo shall consist of contraband goods, the master of the ship shall agree, consent, and offer to deliver them to the captor who has discovered them, in such case the captor, having received those goods as lawful prize, shall forthwith release the ship, and not hinder her by any means from prosecuting her voyage to the place of her destination." In short, in regard both to this and to all other matters, everything was arranged, as far as possible, upon the principle of a perfect reciprocity of rights and advantages, or of the subjects of either government being entitled to the same treatment from the other as from their own. The treaty was to last, without revision or alteration, for the space of twelve years.

From the tables of imports and exports it appears that the trade between Great Britain and France stood as follows, for each of the ten years of the peace :—In 1783, imports from France 87,119*l.*, exports thither 98,166*l.* ; in 1784, imports 141,568*l.*, exports 495,572*l.* ; in 1785, imports 211,791*l.*, exports 604,313*l.* ; in 1786, imports 266,121*l.*, exports 612,519*l.* ; in 1787 (the first year under the treaty) imports 577,012*l.*, exports 986,906*l.* ; in 1788, imports 452,986*l.*, exports 1,259,672*l.* ; in 1789, imports 556,060*l.*, exports 1,290,171*l.* ; in 1790, imports 605,371*l.*, exports 872,323*l.* ; in 1791, imports 546,067*l.*, exports 1,131,376*l.* ; in 1792, imports 717,634*l.*, exports 1,228,165*l.* Comparing, therefore, the last year of the

peace with the first, it may be said that the commercial intercourse between the two countries was, not doubled, but decupled in the course of that interval ; or if, discarding the first twelve months after the cessation of hostilities, we start from 1784, we find our imports from France to have become, in 1792, five times as great as in that year, and our exports thither between twice and three times as great. The commercial treaty may be said to have doubled both the imports and the exports within a year after it came into operation. After 1789 the convulsed or uncertain state of things in France, no doubt, tended to check the further developement of the trade ; but still it maintained itself at the height to which it had grown : if there was a falling off in the exports in 1790, they recovered their former amount in the course of the next two years. In 1792 the exports to France from Great Britain consisted of British merchandise to the value of 743,280*l.*, and foreign produce to that of 484,885*l.* This amount of goods was carried out in 1317 British vessels, measuring 107,821 tons, and navigated by 7912 men ; and in 166 foreign vessels of the burthen of 8421 tons, and carrying 1010 men. The imports from France in that year were brought in 1413 British ships, of the burthen of 91,428 tons, and manned by 7659 sailors ; and in 330 foreign ships of 12,362 tons burthen, and carrying 2195 men. So that altogether the French trade at this time employed 2730 British vessels, measuring 199,249 tons, and manned by 15,571 seamen ; besides 496 foreign vessels, of the burthen of 20,783 tons, and manned by 3205 hands. In this account, however, repeated voyages of the same vessel are reckoned as voyages by different vessels ; the actual quantity of shipping engaged in the trade, therefore, was, no doubt, considerably less than it is here made to appear.

The progress of our trade with other parts of the world during the space of time under review will be sufficiently indicated by the following notices :—

IRELAND :—In 1785, imports from, 2,012,288*l.*, exports to, 2,168,613*l.*; in 1788, imports 2,184,963*l.*, exports 2,424,899*l.*; in 1792, imports 2,622,782*l.*.

exports 2,372,866*l.* In the last of these years the exports consisted of British merchandise to the value of 1,512,843*l.*, and foreign produce to that of 860,022*l.*; carried out in 6354 British and Irish vessels, measuring 508,372 tons, and manned by 30,192 seamen: the imports were brought in 4194 British and Irish ships, measuring 294,698 tons, and manned by 20,434 seamen, and in 15 foreign ships, measuring 2026 tons, and manned by 134 seamen.

ISLE OF MAN:—In 1785, imports from, 8389*l.*, exports to, 31,867*l.*; in 1788, imports 20,286*l.*, exports 33,036*l.*; in 1792, imports 27,342*l.*, exports 37,527*l.* In the last year the exports consisted of British merchandise to the value of 24,966*l.*, and of foreign to that of 12,561*l.*; carried out in 248 British vessels,* measuring 8841 tons, and manned by 776 seamen: the imports were brought home in 196 British vessels, measuring 7530 tons, and manned by 649 seamen.

GUERNSEY, and the other CHANNEL ISLANDS:—In 1785, imports from, 48,582*l.*, exports to, 94,303*l.*; in 1788, imports 40,178*l.*, exports 77,427*l.*; in 1792, imports 58,852*l.*, exports 92,130*l.* In the last year the exports consisted of British merchandise to the value of 79,233*l.*, and of foreign to that of 12,896*l.*; carried out in 363 British ships, measuring 19,583 tons, and manned by 1326 seamen: the imports were brought home in 396 British ships, measuring 17,830 tons, and manned by 1206 seamen, and in one foreign ship of 16 tons, with 4 hands.

EAST INDIES, and other parts of ASIA:—In 1785, imports from, 2,703,940*l.*, exports to, 1,153,532*l.*; in 1788, imports 3,453,897*l.*, exports 1,430,633*l.*; in 1792, imports 2,701,433*l.*, exports 2,425,947*l.* In the last year the exports consisted of British merchandise to the value of 2,332,172*l.*, and foreign to that of 93,774*l.*; carried out in 33 British vessels, measuring 27,645 tons, and manned by 3356 seamen: the imports were brought

* Under which denomination Irish vessels were now also included, by the act 27 Geo. III. c. 19, passed in 1787.

home in 28 British ships, measuring 21,560 tons, and manned by 2541 seamen.

BRITISH AMERICA :—In 1785, imports from, 208,511*l.*, exports to, 691,287*l.*; in 1788 imports 249,400*l.*, exports 895,393*l.*; in 1792, imports 255,797*l.*, exports 1,119,991*l.* In the last year the exports consisted of British merchandise to the value of 908,104*l.*, and foreign to that of 211,891*l.*; carried out in 363 British vessels, measuring 55,367 tons, and manned by 3965 seamen: the imports were brought home in 219 British vessels, measuring 33,176 tons, and manned by 2189 seamen.

BRITISH WEST INDIES :—In 1785, imports from, 4,340,104*l.*, exports to, 1,197,210*l.*; in 1788, imports 4,053,153*l.*, exports 1,698,890*l.*; in 1792, imports 4,128,047*l.*, exports 2,784,310*l.* In the last year the exports consisted of British merchandise to the value of 2,550,643*l.*, and foreign produce to that of 233,665*l.*; carried out in 579 British ships, measuring 138,485 tons, and manned by 8249 seamen: the imports were brought home in 648 British ships, measuring 148,360 tons, and manned by 9543 seamen.

FOREIGN WEST INDIES :—In 1785, imports from, 60,851*l.*, exports to, 653*l.*; in 1788, imports 314,678*l.*, exports 28,160*l.*; in 1792, imports 280,484*l.*, exports 106,628*l.* In the last year the exports consisted of British merchandise to the value of 95,724*l.*, and of foreign to that of 10,897*l.*; carried out in 4 British ships, measuring 425 tons, and manned by 60 seamen: the imports were brought home in 15 British ships, measuring 2791 tons, and manned by 212 seamen.

UNITED STATES OF AMERICA :—In 1785, imports from, 893,594*l.*, exports to, 2,308,023*l.*; in 1788, imports 1,032,779*l.*, exports 1,886,142*l.*; in 1792, imports 1,038,706*l.*, exports 4,271,418*l.* In the last year the exports consisted of British merchandise to the value of 3,974,827*l.*, and foreign to that of 296,590*l.*; carried out in 223 British ships, measuring 50,963 tons, and manned by 2763 seamen, and in 285 foreign ships, measuring 59,414 tons, and manned by 3041 seamen: the imports were brought home in 197 British ships, measuring

42,035 tons, and manned by 2240 seamen, and in 313 foreign ships, measuring 64,035 tons, and manned by 3138 seamen.

RUSSIA, including COURLAND and LIVONIA:—In 1785, imports from, 1,606,688*l.*, exports to, 283,997*l.*; in 1788, imports 1,916,221*l.*, exports, 358,285*l.*; in 1792, imports 1,708,670*l.*, exports 800,761*l.* In the last year the exports consisted of British merchandise to the value of 428,773*l.*, and foreign to that of 371,987*l.*; carried out in 322 British vessels, measuring 76,533 tons, and manned by 3613 seamen, and in 3 foreign ships, measuring 596 tons, with 32 hands: the imports were brought home in 922 British ships, measuring 221,217 tons, and manned by 10,845 seamen, and in 5 foreign ships, measuring 931 tons, and manned by 47 seamen.

GERMANY:—In 1785, imports from, 559,177*l.*, exports to, 1,403,980*l.*; in 1788, imports 448,863*l.*, exports 1,473,308*l.*; in 1792, imports 650,436*l.*, exports 2,139,110*l.* In the last year the exports consisted of British merchandise to the value of 811,139*l.*, and foreign to that of 1,327,970*l.*; carried out in 422 British ships, measuring 61,075 tons, and manned by 3341 seamen, and in 92 foreign ships, measuring 14,307 tons, and manned by 680 seamen: the imports were brought home in 246 British vessels, measuring 32,941 tons, and manned by 1789 seamen, and in 77 foreign ships, measuring 13,958 tons, and manned by 633 seamen.

PRUSSIA AND POLAND:—In 1785, imports from, 483,485*l.*, exports to, 97,782*l.*; in 1788, imports 462,942*l.*, exports 146,127*l.*; in 1792, imports 603,983*l.*, exports 167,036*l.* In the last year the exports consisted of British merchandise to the value of 89,398*l.*, and foreign to that of 95,100*l.*; carried out in 150 British ships, measuring 33,633 tons, and manned by 1578 seamen, and in 98 foreign ships, measuring 21,993 tons, and manned by 993 seamen: the imports were brought home in 873 British ships, measuring 188,760 tons, and manned by 8866 seamen, and in 365 foreign ships, measuring 44,035 tons, and manned by 1940 seamen.

DENMARK AND NORWAY:—In 1785, imports from,

117,454*l.*, exports to, 322,295*l.*; in 1788, imports 127,254*l.*, exports 266,965*l.*; in 1792, imports 186,648*l.*, exports 312,720*l.* In the last year the exports consisted of British merchandise to the value of 177,778*l.*, and foreign to that of 134,940*l.*; carried out in 325 British ships, measuring 52,183 tons, and manned by 2745 seamen, and in 176 foreign ships, measuring 37,584 tons, and manned by 1980 seamen: the imports were brought home in 420 British ships, measuring 49,705 tons, and manned by 2743 seamen, and in 638 foreign ships, measuring 104,253 tons, and manned by 6241 seamen.

SWEDEN :—In 1785, imports from, 203,765*l.*, exports to, 65,306*l.*; in 1788 imports 258,531*l.*, exports 62,050*l.*; in 1792, imports 338,689*l.*, exports 118,339*l.* In the last year the exports consisted of British merchandise to the value of 57,412*l.*, and foreign to that of 60,926*l.*; carried out in 148 British ships, measuring 14,988 tons, and manned by 941 hands, and in 50 foreign ships, measuring 7385 tons, and manned by 474 seamen; the imports were brought home in 276 British ships, measuring 34,345 tons, and manned by 1874 seamen, and in 136 foreign ships, measuring 21,491 tons, and manned by 1294 seamen.

HOLLAND :—In 1785, imports from, 468,121*l.*, exports to, 1,506,303*l.*; in 1788, imports 386,699*l.*, exports 1,296,218*l.*; in 1792, imports 801,534*l.*, exports 1,516,449*l.* In the last year the exports consisted of British merchandise to the value of 785,206*l.*, and foreign to that of 731,241*l.*; carried out in 1152 British ships, measuring 139,694 tons, and manned by 7699 seamen, and in 168 foreign ships, measuring 14,576 tons, and manned by 1074 seamen: the imports were brought home in 1002 British ships, measuring 130,281 tons, and manned by 7139 seamen, and in 516 foreign ships, measuring 33,536 tons, and manned by 1826 seamen.

FLANDERS :—In 1785, imports from, 127,943*l.*, exports to, 917,837*l.*; in 1788, imports 102,189*l.*, exports 868,090*l.*; in 1792, imports 132,289*l.*, exports 1,031,092*l.* In the last year the exports consisted of British merchandise to the value of 381,286*l.*, and foreign

to that of 649,805*l.*; carried out in 582 British ships, measuring 62,178 tons, and manned by 4123 seamen, and in 42 foreign ships, measuring 4012 tons, and manned by 288 seamen: the imports were brought home in 601 British ships, measuring 57,445 tons, and manned by 4080 seamen, and in 19 foreign ships, measuring 1085 tons, and manned by 109 seamen.

PORTUGAL, with MADEIRA and the AZORES:—In 1785, imports from, 430,943*l.*, exports to, 843,182*l.*; in 1788, imports 617,205*l.*, exports 721,746*l.*; in 1792, imports 977,819*l.*, exports 754,622*l.* In the last year the exports consisted of British merchandise to the value of 714,949*l.*, and foreign to that of 39,670*l.*; carried out in 292 British ships, measuring 41,453 tons, and manned by 2593 seamen, and in 24 foreign ships, measuring 3604 tons, and manned by 263 seamen: the imports were brought home in 578 British ships, measuring 72,325 tons, and manned by 4472 seamen, and in 17 foreign ships, measuring 2022 tons, and manned by 145 seamen.

SPAIN:—In 1785, imports from, 697,712*l.*, exports to, 788,063*l.*; in 1788, imports 796,733*l.*, exports 671,304*l.*; in 1792, imports 897,839*l.*, exports 794,101*l.* In the last year the exports consisted of British merchandise to the value of 703,734*l.*, and of foreign to that of 90,366*l.*; carried out in 262 British ships, measuring 31,598 tons, and manned by 1949 seamen, and in 33 foreign ships, measuring 3464 tons, and manned by 256 seamen: the imports were brought home in 376 British ships, measuring 44,350 tons, and manned by 2618 seamen, and in 45 foreign ships, measuring 4324 tons, and manned by 313 seamen.

ITALY, including SICILY and SARDINIA (but exclusive of Venice):—In 1785, imports from, 687,150*l.*, exports to, 513,170*l.*; in 1788, imports 609,643*l.*, exports 731,026*l.*; in 1792, imports 1,004,288*l.*, exports 946,119*l.* In the last year the exports consisted of British merchandise to the value of 765,291*l.*, and of foreign to that of 180,828*l.*; carried out in 207 British ships, measuring 29,290 tons, and manned by 1709 seamen; the imports were brought home in 130 British ships, measuring 12,134 tons, and manned by 1016 seamen.

VENICE :—In 1785, imports from, 69,194*l.*, exports to, 20,294*l.*; in 1788, imports 53,637*l.*, exports 14,710*l.*; in 1792, imports 65,331*l.*, exports 17,112*l.* In the last year the exports consisted of British merchandise to the value of 12,903*l.*, and of foreign to that of 4209*l.*; carried out in 8 British ships, measuring 982 tons, and manned by 56 seamen: the imports were brought home in 8 British ships, measuring 1141 tons, and manned by 85 seamen.

CANARIES :—In 1785, imports from, 4457*l.*, exports to, 17,034*l.*; in 1788, imports 14,117*l.*, exports 7006*l.*; in 1792, imports 10,222*l.*, exports 17,277*l.* In the last year the exports consisted of British merchandise to the value of 17,249*l.*, and of foreign to that of 28*l.*; carried out in 2 British ships, of 269 tons, and manned by 18 seamen: the imports were brought home in 7 British ships, measuring 989 tons, and manned by 54 seamen.

STRAITS AND GIBRALTAR :—In 1785, imports from, 2616*l.*, exports to, 392,235*l.*; in 1788, imports 5772*l.*, exports 336,305*l.*; in 1792, imports 13,153*l.*, exports 197,224*l.* In the last year the exports consisted of British merchandise to the value of 179,693*l.*, and of foreign to that of 17,429*l.*; carried out in 59 British ships, measuring 6959 tons, and manned by 420 seamen: the imports were brought home in 14 ships, measuring 2887 tons, and manned by 171 seamen.

TURKEY AND EGYPT :—In 1785, imports from, 146,906*l.*, exports to, 82,449*l.*; in 1788, imports 183,335*l.*, exports 47,838*l.*; in 1792, imports 290,599*l.*, exports 273,785*l.* In the last year the exports consisted of British merchandise to the value of 98,961*l.*, and of foreign to that of 174,824*l.*; carried out in 48 British ships, measuring 11,478 tons, and manned by 684 seamen: the imports were brought home in 38 British ships, measuring 7788 tons, and manned by 425 seamen.

AFRICA, including the CAPE VERDE ISLANDS :—In 1785, imports from, 48,535*l.*, exports to, 587,196*l.*; in 1788, imports 90,069*l.*, exports 735,447*l.*; in 1792, imports 82,912*l.*, exports 1,367,918*l.* In the last year the exports consisted of British merchandise to the value of 882,053*l.*, and of foreign to that of 485,845*l.*; carried out in 25

British ships, measuring 54,928 tons, and manned by 5117 seamen : the imports were brought home in 77 British ships, measuring 11,088 tons, and manned by 973 seamen.

GREENLAND, and NORTHERN WHALE FISHERY:—In 1785, imports from, 75,793*l.*, exports to, 913*l.*; in 1788, imports 160,609*l.*, exports 254*l.*; in 1792, imports 63,777*l.*, exports 695*l.* In the last year the exports consisted entirely of foreign merchandise ; carried out in 93 British ships, measuring 26,983 tons, and manned by 3667 seamen : the imports were brought home in 102 British ships measuring 29,883 tons, and manned by 4147 seamen.

NEW HOLLAND, and SOUTHERN WHALE FISHERY:—In 1785, imports from, 8483*l.*, exports to, 2403*l.*; in 1788, imports 0*l.*, exports 0*l.*; in 1792, imports 114*l.*, exports 11,940*l.* In the last year the exports consisted of British merchandise to the value of 9187*l.*, and of foreign to that of 2752*l.*; carried out in 45 British ships, measuring 10,676 tons, and manned by 899 seamen : the imports were brought home in 58 British ships, measuring 13,157 tons, and manned by 1053 seamen.*

* These accounts are extracted from the official tables of imports and exports for the three years, and from the account of the shipping for 1792, as printed by Macpherson, in "Annals of Commerce," vol. iv., pp. 99, 182, 261, and 262. Owing, however, to the form in which the tables are drawn up, in distinct columns throughout for Scotland and England, almost every number we have given has been obtained by computation, and we have neglected shillings and pence. Some difficulty also has been occasioned by all the tables not being constructed upon the same principle ; the account of shipping, in particular, is probably not to be perfectly reconciled with that of the imports and exports for the same year. For the year 1792 the shipping account (which consists of twenty-five columns) has quite a different distribution of countries from the table of imports and exports ; but in our comparison we have not found any absolute discrepancy, except only that there is no head in the table of imports and exports to which we can refer the entries in the shipping account opposite to Florida and Honduras, from which, according to that account, there were entered inwards, in 1792, 47 British ships, measuring

One great branch of our commerce now stood, of course, upon a footing altogether new—that with our former colonies in North America, now become the United States. But, although a successful revolt had broken the political tie that had hitherto united these settlements with the mother-country, even that separation and the fierce struggle by which it was brought about could not destroy the natural bond that attached a young community, almost exclusively occupied in agriculture, to the greatest manufacturing community, and the most diffused maritime and colonial empire, in the world. Great Britain was still, as formerly, by far the most convenient market for the people of the United States ; and they, no longer our dependent colonists, were yet as much as ever our most valuable customers. In the general feeling that such was the case, no time was lost by the British parliament, after the restoration of peace, in passing an act (the 23 Geo. III., c. 26) repealing all the prohibitory commercial acts made during the war ; and by another act of the same session (the 23 Geo. III., c. 39) it was declared that, for a limited time, no manifest, certificate, or other similar document should be required from any vessels belonging to the United States on arriving in or clearing out from a British port ; and, the king being meanwhile authorised to regulate the manner in which the trade should be carried on, a royal proclamation was immediately issued (on the 14th of May, 1783) for the admission, till further orders, into the ports of Great Britain, of any unmanufactured commodities, the produce of the United States, either in British or American ships, without the usual certificates, and on payment of the same duties as were payable on the same articles imported

10,801 tons, and navigated by 548 seamen ; and to which there were cleared outward 20 British ships, measuring 5157 tons, and manned by 272 seamen. In the table of imports and exports for 1785 there are also the following entries, which we have not been able to include in our summary : America in general, imports from, 18,823*l.*, exports to, 31,863*l.*; and Prize goods, imports 34,076*l.*, exports 30,941*l.*

from British America. The same drawbacks and bounties were also allowed on goods coming from the United States as on those from the British possessions ; and the benefit of the order was extended to all American vessels that had arrived since the 20th of January. But this by no means satisfied either the Americans, or many zealous persons at home. "Britain," says Macpherson, "instead of being ruined for want of commerce with America, as had been predicted (and, indeed, contrary to a received maxim, that a trade once turned out of its channel cannot be recovered again), was in danger of suffering from the too great ardour of the merchants for forming new connexions in that continent, many of which, as they found to their cost, were with people who could never have obtained credit for a shilling from those among whom they resided. Many of these adventurers, immediately upon their arrival in America, converted their goods into ready money at any prices, and then shipped themselves off for the continent of Europe, or hid themselves in the boundless back countries of America under the new-assumed character of land-jobbers. It appears from Mr. Coxe's 'View of the United States of America,' p. 34, that in the year 1787 the remains of the excessive importations of the four preceding years were constantly offered for sale at prices lower than their cost in Europe, which was a great injury to the fair importers and manufacturers in America. It is certain that considerable quantities of European goods were carried from America during those years to the West Indies, and sold even there under the European prices." This, however, is no more than what is always apt and almost sure to happen on the opening of a new commerce ; though it may be admitted that the nature of the country in America, and the constitution of society there, offered, as they still do, superior facilities for bold adventurers in this line. But there also arose a controversy as to the extent of the commercial rights which it would be advisable to grant permanently to the United States, the main point in dispute being whether the Navigation Act should be now enforced in regard to

them as in regard to all other foreign states, and should exclude their vessels from admission to our West India Islands. Any claim of right to such admission the American republicans certainly no longer possessed, any more than the inhabitants of Spanish America or the people of France. But an exemption in their favour from the rigours of the Navigation Act was urged, in the particular circumstances of the case, on grounds of expediency ; and this view had the general support of the West India interest. The question was discussed in numerous pamphlets ; and some of the governors of the West India Islands actually went the length of freely admitting American vessels into their ports in the same manner as they had been admitted before the war. It was asserted by the advocates of this policy, to quote Macpherson's summary of their arguments, which affords a good view of the nature and circumstances of the trade between the West Indies and the American continent, " that the planters had been very scantily supplied with provisions and lumber during the war ; that a considerable part of their supply was derived from intercepted cargoes which were destined for the foreign islands, a resource which the peace put an end to, as it did also to the supplies from Florida, which was now yielded to Spain ; and that they had been compelled by necessity to convert their land to provision grounds, and to draw off their slaves from their proper plantation employments to cultivate provisions and cut lumber ; that the provisions and lumber procured either by importation, capture, or their own labour, were obtained at such an enormous expense, that nothing but the hopes of soon seeing a change for the better could support them under it, but that a long continuance of it must be absolutely ruinous. Lastly, they urged, as a proof of the bad consequence to Great Britain of turning their industry out of its proper channel, that in the year 1777, before any of our islands were taken by the enemy, the quantity of sugar imported into England was short of that in the year 1774 (when part of the sugars went to the American colonies) fall 45,000 hogsheads, the value of which was nearly a mil-

lion of money, the freight of which would have been 150,000*l.*, and the duties payable to the public above 100,000*l.* It was asserted that the rum, of which near eight millions of gallons were annually made in the West India Islands, and which, being an acceptable present to the Americans, used to be the principal resource for the supply of plantation necessaries, must now become a dead stock in the hands of the planters, as the consumption of Great Britain did not much exceed half a million of gallons.* With respect to a supply of corn from Canada, it was observed that, though that country had had plentiful harvests from the year 1772 to 1778, and particularly in 1774, yet these years of plenty were followed by such a succession of defective crops, that from 1779 to 1782 inclusive, the exportation of corn and bread was prohibited, and the province even received some supplies from other quarters. Hence it was evident that there never could be any dependence upon Canada for a regular supply. As to Nova Scotia, it was not alleged that it had ever been capable of raising corn for its own consumption.† These representations, and the clamour that was raised, produced such an effect, we are told, that "even the government was like to be carried away with the stream, and on the point of confirming by law those concessions with respect to the commerce of the West Indies which were hitherto granted by mistake, or connivance, of some servants of the crown,"‡ when the meditated course of policy was prevented by the strong considerations urged in two pam-

* Macpherson shows, in a note, that there must be a good deal of exaggeration in this statement, inasmuch as the average quantity of rum imported into Great Britain in the ten years from 1773 to 1782 inclusive was 2,068,842 gallons, of which there were exported annually, on an average, 617,939 gallons, leaving 1,444,903 gallons for home consumption; while, on the other hand, the quantity exported to the continent of North America from all the islands, on an average of three years preceding the war, did not exceed 2,900,000 gallons annually.

† *Annals of Commerce*, iv. 20.

‡ *Ibid.*, p. 19.

phlets, the first entitled "Observations on the Commerce of the American States," by Lord Sheffield; the other, which appeared soon after, entitled "Opinions on interesting Subjects of Public Law and Commercial Policy arising from American Independence," by Mr. George Chalmers. "Both these authors," says Macpherson, "insisted strongly, that Britain and Ireland, with the remaining continental colonies, were fully sufficient to supply the British West India Islands with provisions and lumber, as they had done during the war, even if all the States of America should unite in refusing to sell those articles to our vessels, which was, however, by no means to be apprehended; and that the manufacturers and merchants of Britain could have nothing to dread from the menaced refusal of America to admit British goods, because goods must ever find their market in proportion to their quality and price, independent of all resolutions and even laws."* Of course, the ground on which Sheffield and Chalmers rested their opposition to the demand of the Americans was the importance of maintaining inviolate the system of the Navigation Act, the palladium, as it had been generally regarded, of our naval power. In the end the government took a middle course. On the 2nd of July a proclamation by the king in council was issued, permitting British subjects to carry in British vessels all kinds of naval stores, lumber, live-stock, corn, flour, and bread from the United States of America to the West India Islands; and also to export rum, sugar, molasses, chocolate, nuts, coffee, ginger, and pimento from the islands to the States, under the same duties and regulations as if the commodities were cleared out for a British possession. "This order," says Macpherson, "was considered by the administration as an indulgence, both to the Islands and to the United States; but it was not received as such by either of them. The West India planters cried out, that the Islands must inevitably be ruined, if there were not as free and unrestrained an intercourse between them and the continent,

* *Annals of Commerce*, iv. p. 19.

and as free admission of American vessels, as there was when the latter was under the British dominion ; and the Americans were so much offended by it, that the assemblies of three of the States actually made a requisition to the Congress that they would prohibit all commercial intercourse with the British colonies.”* The British government, however, would not be moved from its restrictive and cautious policy. Three other temporary orders were issued in the course of the year : the first, on the 6th of June, permitting American tobacco to be imported into London, Bristol, Liverpool, Cowes, Whitehaven and Greenock, and to be warehoused under the custody of the revenue officers, the importer paying down five per cent. on the value as part of the duty ; the second, on the 5th of November, dispensing with that immediate payment ; the third, on the 26th of December, by which time the preceding orders had expired, renewing that of the 2nd of July with regard to the intercourse between the United States and the West Indies, but relaxing the former regulations for the British trade so far as to permit the importation of any manufactured goods not prohibited by law, except oil, and also of pitch, tar, turpentine, indigo, masts, yards, and bowsprits being the produce of the United States, either by British or American subjects, and either in British or American vessels. And those orders in council, and the act of parliament by which they were authorized, were annually renewed or continued, with little alteration, throughout the next five years. Meanwhile the Americans persisted in urging their claims to have both trades placed upon a more liberal system ; and some attempts were even made at retaliation. In 1784 the Congress recommended to the legislatures of the different States the adoption of a resolution prohibiting for fifteen years the importation and exportation of every species of merchandise in any vessels belonging to foreign powers which had not connected themselves with the government of the United States by commercial treaties. “The people

* Annals of Commerce, iv. p. 26.

of Boston," writes the historian of our commerce, under the year 1785, "were highly offended by the exclusion from the ports of the West Indies, by the high duties on rice, oil, and tobacco, and by the regulations for the British fisheries in the American seas. They were also greatly alarmed at the establishment of British factors in their country (a measure rendered necessary by the enormous deficiencies of some of those who assumed the character of merchants in America immediately after the peace); and they presented a petition (22nd April, 1785) to the Congress for regulations to counteract those of Great Britain, which was soon followed by an act of the commonwealth of Massachusetts (June 23rd) for the regulation of navigation and commerce; whereby they prohibited the exportation of any American produce or manufacture from their ports in vessels owned by British subjects after the 1st of August, 1785, with a provisional exception in favour of those British settlements whose governors should reverse their proclamations against the admission of American vessels into their ports. They also enacted several extra duties to be paid by vessels belonging to foreigners, and particularly by British subjects, with a permission, however, for new vessels, built in Massachusetts, though partly or wholly owned by British subjects, to take in cargoes upon equal terms with the citizens of the United States; but only for their first departures."* But a measure such as this, proceeding from a single state, was not likely to have any effect in driving the British government from the position it had taken up; and, if it was not to operate in that way, it could only make matters worse, still farther limiting and impeding the trade, and directly tending indeed to put an end to the interchange of commodities between the two countries altogether. Just before this, in March, 1785, an act had been passed by the English parliament (the 25 Geo. III. c. 1), permitting bread, flour, and live-stock, but no other articles upon any pretence whatever, to be imported for a time into Newfoundland and

* *Annals of Commerce*; iv. p. 77.

the adjacent islands from the United States of America in British vessels, navigated according to law, and provided with licences, which were to be in force for a term of seven months, from the commissioners of the customs in Great Britain. This concession was granted in consequence of what had happened in the early part of the preceding year, when, the settlers at Newfoundland being in great distress for want of provisions, a supply arrived in some British ships from the United States, which the governor and council, after some deliberation, had in the circumstances allowed to be landed and sold. On the other hand, in the act passed in 1787 (the 27 Geo. III. c. 7), for continuing the temporary acts regulating the commercial intercourse with America, while the importation of provisions and lumber into any of the British West India Islands from the foreign West India Islands was permitted in cases of emergency and distress on the responsibility of the governor and council, the admission of the produce of the United States was more rigorously prohibited than ever, the penalty for the importation of such produce into any British possession contrary to law, or to the orders of the king in council, being now made the forfeiture of both cargo and vessel. At last, however, in 1788, an act was passed permanently permitting the importation into the West Indies, in British vessels, of tobacco, pitch, tar, turpentine, hemp, flax, masts, yards, bowsprits, lumber, horses, cattle and other live-stock, bread, flour, peas, beans, potatoes, wheat, rice, oats, barley, and other grain, the produce of the United States; and the exportation from the West Indies to the States of any goods or produce which might be lawfully exported to any foreign country in Europe, and also of sugar, molasses, coffee, pimento, cacao (or chocolate nuts), and ginger. The jealousies and animosities not unnaturally excited by those contentions now gradually subsided, and seem to have passed away much sooner and more completely than might have been anticipated. So early as under the year 1789, we find the recorder of the facts belonging to our commercial history writing as follows:—“The ill will engendered by

the American war was now turned into friendship and harmony between Great Britain and the American States, the influence of which extended to the most distant British possessions. Earl Cornwallis, governor-general of India, about the beginning of this year or the end of the last, gave orders that American vessels should be treated at the Company's settlements in all respects as the most favoured foreigners. The ship Chesapeake, the first American that was allowed to trade, or to show her colours, in the river Ganges, was moreover favoured by the supreme council of Bengal with an exemption from the government customs, which all foreign vessels are bound to pay."* The general diffusion of these better feelings was already preparing the way for an harmonious commercial arrangement between the two countries, which, as we shall find, was completed a few years later.

A very complete view of the trade of the British West India Islands for the year 1787 was published in 1789, in a series of tables, by the Board of Trade. According to this account the entire imports of the islands for that year were as follows :—From Great Britain, British and Irish goods 1,441,048*l.*, India goods 23,570*l.*, foreign goods 174,085*l.*, in all 1,638,703*l.*; from Ireland, Irish goods 19,914*l.*, British goods 111*l.*, foreign goods 135*l.*, in all 20,160*l.*; from Newfoundland, 890 barrels of wet fish, and 64,123 quintals of dry fish; from the foreign West Indies, 1,943,000 lbs. cotton, 64,750 lbs. cacao, sundry woods, cattle, hides, &c., and some dollars; and, finally, from Africa, 20,978 negroes. The exports are made to have consisted of sugar 2,002,736 cwt., rum 5,270,496 gallons, molasses 68,052 gallons, cotton 9,544,121 lbs., indigo 41,064 lbs., coffee 34,446 cwt., cacao 4234 cwt., pimento 616,444 lbs., ginger 10,546 cwt., dye-woods 12,726 tons, mahogany and other hard woods 16,929 tons, and 5531 hides, together with a few other articles not particularized. The value of the entire exports of each of the islands, calculated, not by the old

* *Annals of Commerce*, iv. p. 183.

custom-house rates, but according to the actual prices current in London at the time, is stated as follows:—
 Jamaica 2,136,442*l.* (principally sugar, rum, cotton, indigo, pimento, and dye-woods), Tortola 106,960*l.* (principally sugar, rum, and cotton), Anguilla 12,993*l.* (principally cotton), St. Christopher's 510,014*l.* (principally sugar, rum, and cotton), Montserrat and Nevis 214,142*l.* (the same), Antigua 592,597*l.* (the same), Dominica, 302,987*l.* (principally sugar, molasses, cotton, indigo, and coffee), St. Vincent's 192,162*l.* (principally rum and cotton), Grenada 614,908*l.* (principally sugar, rum, and cotton), Barbadoes 539,606*l.* (principally sugar, rum, molasses, cotton, and ginger). The entire amount was made up to 5,389,054*l.* by the addition of the Bay of Honduras 106,243*l.* (principally mahogany and dye-woods, with a little cotton and cacao). There are no returns from the Bahamas and Bermuda. “The loyalists from North America,” Maepherson observes, “had just begun to bring the cotton of the former into consideration; and the inhabitants of the latter were beginning to follow their example, as far as the narrow limits of their island would permit.”* The exports were, of course, principally to Great Britain; the only other parts of the world with which any export trade was carried on were Ireland, British America, the United States, the foreign West India Islands, and Africa.† The exports to the United States, according to this account, were from Jamaica 60,096*l.*, from Tortola 1499*l.*, from St. Christopher's 15,513*l.*, from Montserrat and Nevis 13,982*l.*, from Antigua 44,680*l.*, from Dominica 7164*l.*, from St. Vincent's 5712*l.*, from Grenada 24,597*l.*, and from Barbadoes 23,218*l.*; all principally in rum. To Africa the only exports noticed are, from Jamaica 8600 gallons of rum, from Nevis one ship of the burthen of 102 tons, cargo not mentioned, and from Barbadoes 100 gallons of rum. To Great Britain the exports from all

* Annals of Commerce, iv. p. 160.

† One vessel, of 100 tons burthen, is stated to have proceeded from Antigua to the South of Europe, but neither the description nor value of her cargo is given.

the islands were, sugar 1,926,121 cwt., rum 2,251,341 gallons, molasses 37,472 gallons, cotton 9,396,921 lbs., indigo 39,414 lbs., coffee 30,365 cwt., cacao 3954 cwt., pimento 606,994 lbs., ginger 9159 cwt., dye-woods 12,637 tons, mahogany and other hard woods 7569 tons, and 5180 hides. To Ireland there were exported, sugar 26,182 cwt., rum 209,264 gallons, and cotton 1259 cwt. According to a further account, the total value of the exports to Great Britain, which in 1787 was 3,749,447*l.* (calculated by the custom-house rates), rose in 1788 to 4,253,879*l.* The real or market value was, probably, about a fourth greater.

The publication of these statements with regard to the value of the West India Islands and their trade arose out of the strong feeling that about this date began to be excited on the subject of the trade in negro slaves. After the restoration of peace with the colonies, general attention was attracted to this subject in London by swarms of American negroes, whom the events of the war had emancipated, appearing in the streets, begging for employment, or for bread, to such an extent as to be a serious public nuisance. In 1787 about 700 of these destitute blacks were collected for the purpose of being sent out in government transports to Sierra Leone; and, although a large proportion of them died, or deserted, or had to be discharged as unmanageable, before the vessels sailed, about 400 of the number were actually conveyed to Africa; where, however, the settlement that was thus attempted to be formed did not prosper. The following year, after the question had begun to be agitated in parliament, the Board of Trade (or as it was then called, the Committee of the Privy Council for Trade and Plantations) was directed to inquire into the state of that part of Africa whence the slaves were brought, the manner of obtaining them, the transportation and sale of them, and the effects of the trade upon the colonies and the general commerce of the kingdom; and upon these various points a great mass of information was collected by the board, which was embodied in the *same Report*, presented about a year after to the king in

council, in which are contained the accounts abstracted above of the exports and imports of the West India Islands. With the details given in the report in regard to the condition of the African tribes, the purchase or capture of the slaves, their conveyance to America, and their treatment there, the public mind has long been sufficiently familiar ; but some accounts which it contains of the statistics of the trade in negroes, as it was at this date and had been for a long course of years carried on, deserve notice with reference to our present object. The English slave-trade, at this time, belonged chiefly to the two ports of Liverpool and Bristol. Of 137 vessels engaged in it in the year 1787, eighty belonged to the former of these ports, thirty to the latter. There is no complete account of the number of vessels annually employed in the trade before the year 1760 ; but for the twenty-seven years subsequent to that date, it had ranged from 28, measuring 3475 tons, in 1779, to 192, measuring 20,296 tons, in 1771. The traffic appears to have been depressed by the war from 1776 to 1783, but it revived with the return of peace ; the 137 vessels, which, as we have seen, it employed in 1787, were of the burthen of 22,263 tons, which was the highest tonnage then on record. From 1776 down to 1782 inclusive, the value of the cargoes exported to Africa in the slaving vessels ranged from 470,779*l.*, which it was in 1776, down to 154,086*l.*, in 1778 ; but previously, from the year 1763, the amount had usually been between 450,000*l.* and 800,000*l.* ; in 1772 it had been 866,394*l.* ; in 1774, 846,525*l.* ; in 1775, 786,168*l.* ; and since the peace it had again become as great as formerly, having been 888,738*l.* in 1786, and 668,255*l.* in 1787. And, as the total exports from Great Britain to Africa, which according to the official tables were that year 735,447*l.*, were, in 1790, 929,203*l.*—in 1791, 856,082*l.*—and in 1792, 1,367,928*l.*, we may presume that that portion of them, amounting to nine-tenths of the whole, which was carried out by the slave-ships, and for the purposes of the slave trade, shared in this increase. Of the 668,255*l.* worth of goods carried out by the slave-traders in

1776, 401,593*l.*, consisted of British merchandise, 186,258*l.* of India goods, and the remaining 80,403*l.* of foreign merchandise. The India goods are not particularized: of the other descriptions the principal articles are stated to have been woollens to the value of 138,330*l.*; cottons to that of 51,636*l.*; iron ware, chiefly guns, cutlasses, &c., to that of 43,515*l.*; gunpowder to that of 37,923*l.*; British linens to that of 18,200*l.*; foreign linens to that of 13,043*l.*; bugles (glass beads) to that of 12,916*l.*; wrought copper to that of 12,269*l.*; foreign bar-iron to that of 10,947*l.*; lead shot to that of 1408*l.*; together with 290,542 gallons of British spirits, valued at 20,417*l.*, and 64,584 gallons of rum, valued at 19,406*l.* The entire value of the imports from Africa to England in 1787 was 117,817*l.*, consisting of red-wood to the value of 62,480*l.*; ivory to that of 15,335*l.*; gum-arabic to that of 6388*l.*; Senegal gum to that of 5184*l.*; bees'-wax to that of 3819*l.*; and sundry trifling quantities of cam-wood, ebony, ostrich feathers, &c. These commodities were brought home in 46 vessels, measuring altogether 6630 tons, and having no concern in the slave-trade. The 137 slavers of course proceeded with their human cargoes from the African coast to the West Indies, and then returned to England laden with the produce of the islands. About this time a slave is said to have cost from 8*l.* to 22*l.* in Africa, and to have brought from 28*l.* to 35*l.* in the West Indies: about a century before the price is stated to have been about 3*l.* in Africa, and from 15*l.* to 17*l.* in the West Indies. The entire number of negroes annually exported from the west coast of Africa is supposed to have been, when the Board of Trade instituted its inquiry into the subject, not less than 74,000, namely, by the British 38,000, by the French 20,000, by the Portuguese 10,000, by the Dutch 4000, and by the Danes 2000; but of these many were conveyed to the Spanish and other foreign possessions in the new world. We have seen that the importation into the British West Indies in the year 1787 was about 21,000, and of these about 5000 appear to have been re-exported to the foreign *West India Islands* and to the United States. In the

first three years after the war, however (1783, 1784, and 1785), 36,158 negroes were landed in Jamaica alone, of which only 9118 were re-exported, namely, 395 to the United States, the rest to the foreign West India Islands. In 1789 the entire number imported into all the British Islands was 21,425, of whom 8764 were re-exported; in 1790 it was 21,889, of whom 7542 were re-exported; in 1791 it was 30,763, of whom only 1427 were re-exported.

We will now shortly notice the progress made during this time of peace by some branches of our trade, which, although not actually carried on in the country, may nevertheless be described as domestic, inasmuch as they did not bring us into any direct intercourse with foreign nations.

Considerable exertions continued to be made for the encouragement and extension of the herring, pilchard, and cod fisheries, in our own and the neighbouring seas. In 1785 parliament passed an act (the 25 Geo. III., c. 58) raising the bounty on the exportation of salted pilchards caught during the succeeding twelve months, with the view of reviving that fishery, which had formerly been carried on to a considerable extent on the south-west coast of England, but had lately declined; and by a subsequent act (the 26 Geo. III., c. 45) this encouragement was continued, under somewhat modified regulations, till June, 1791. In 1790 the pilchard fishery on the coast of Cornwall is stated to have been unusually abundant; the little town of Mevagissey is recorded to have cured 10,000 hogsheads, "which," observes Macpherson, "would have been a fund of wealth to the inhabitants, if the high price of salt, whereof six bushels are required to every hogshead, did not carry off the greatest part of the proceeds."* The following year, however, we find the parliament (by the 31 Geo. III., c. 44) still further encouraging the pilchard fishery by a new bounty on exportation. For the ten years preceding 1756 the annual export of pilchards is said to have averaged 30,000 hogsheads, and to have employed about

* Annals of Commerce, iv. 213.

3000 Cornish fishermen, besides about 4000 or 5000 people on shore. The fish were exported principally to the Mediterranean, in vessels which brought back salt, staves, and other materials for the fishery. "Pilchards," says Macpherson, under the year 1782, "are so much in request in the Italian states, that the orders from them for lead, tin, copper, leather, &c., have been often conditional, that, if such a quantity of pilchards could not be sent, the other articles could not be received; and the Venetian government allowed British vessels importing a certain quantity of pilchards to take in currants at their islands, though the carriage of that fruit was restricted to their own vessels." Afterwards, however, the quantity of pilchards annually exported fell off to only 12,000 or 13,000 hogsheads.

The herring fishery on the Yarmouth coast employed only 94 vessels in the year 1782; "whereas," says Macpherson, "in the year 1760 it employed 205, of from 30 to 100 tons, and gave employment to about 6000 men, women, boys, and girls, besides 30 or 40 vessels from Folkestone, Hastings, &c., which have now deserted it entirely. For about twenty years preceding 1760, the annual capture of herrings on the Norfolk coast was above 47,000 barrels, of which above 38,000 were exported. The fishery which the people of Yarmouth, with the assistance of the Shetland fishermen, used to carry on, in about 200 vessels of from 40 to 60 tons, in the neighbourhood of Iceland, where the cod most saleable in the Spanish and Italian markets are caught, has been annihilated by the operation of the salt-laws."* From 1777 to 1782 the total quantity of herrings cured in England appears to have varied from 23,890 barrels, which it was in the first of these years, to 35,359, which it was in the last. The cod exported was 3473 cwt. in 1777, 495 cwt. in 1779, 6905 cwt. in 1781, and 1341 cwt. in 1782. The Scottish herring-fishery, on the other hand, had risen as the English declined. In 1751 the Scottish fishery employed only 2 vessels, measuring

* *Annals of Commerce*, iii. 724.

together 148 tons, and employing 33 men and boys ; and the quantity of herrings taken was only 213 barrels. The first slight impulse appears to have been received in 1760, when the number of vessels was 13, measuring 554 tons and manned by 130 hands, and the quantity of herrings taken 3089 barrels. A few years before, in 1757, the bounty had been raised from 30s. to 50s. per ton, at which rate it continued down to the year 1770, though for a part of this period it is said to have been very irregularly paid. However, in 1762 the fishery employed 49 vessels, 87 in 1763, 119 in 1764, 157 in 1765, 261 in 1766, and 266 in 1767, in which last year the quantity of herrings taken was 28,328 barrels, upon which bounties were paid to the amount of 31,584l.* After this there was a falling off for two or three years ; but even under the system of a reduced bounty the fishery soon began to revive, till in 1775 the number of vessels employed was 281, and the quantity of herrings taken 53,466 barrels ; and in 1776 the number of vessels was 294, and the herrings taken 51,863 barrels. “Campbelltown (in Argyleshire), the chief rendezvous of the fishery,” Macpherson observes, “was raised by it, from having only 4 small vessels and 3000 or 4000 inhabitants in the year 1750, to the possession of 62 stout vessels,

* The numbers given in all these accounts, as of barrels taken, throughout include only those taken in the first voyage of each season, or that called the bounty voyage ; and nearly the whole of this quantity appears to have been usually exported. “But,” observes Macpherson, “as the busses often made a second, and sometimes even a third, voyage, and as the herrings taken in those after voyages are believed to be, one year with another, equal to those taken in the bounty voyages, the real quantity of herrings caught and cured by the busses may be fairly estimated at double the quantity here stated. The number of herrings taken by boats, and consumed fresh, or slightly salted, in the country, of which no account is taken, must also be prodigiously great, especially when an extraordinary plenty, and consequently low price, encourages the cadgers (higgliers) to carry them as far as possible into the inland parts of the country.” — *Annals of Commerce*, iii. 722.

carrying 750 men, and a population of above 7000 inhabitants, in the year 1777. But that increase is a small object, in point of national utility, when compared with the increase of seamen produced by the bounty : it being calculated that two-thirds of the seamen who man the shipping of the Clyde, besides a considerable proportion of those in the vessels belonging to Liverpool, Bristol, and even London, and great numbers in the navy, have been bred in that fishery."* After the commencement of the American war, however, the rise in the prices of barrels, salt, naval stores, and in seamen's wages, which had advanced by the year 1779 from 100 to 400 per cent., pressed so hard upon this branch of adventure that the number of vessels, or busses, employed in the fishery, gradually declined from 240, manned by 2600 hands, in 1777, to 147, manned by 1667 hands, in 1782, and the quantity of herrings taken from 43,313 barrels in the former year to only 13,457 in the latter. But the trade was one which, from the nature of things, did not admit of a condition of steady prosperity ; and even the bounties paid by the public, with the object of encouraging and sustaining it, although they no doubt occasioned its being carried on to an extent which it would not otherwise have attained, at the same time only gave it more of an uncertain and gambling character. Macpherson himself, with all his zeal in favour both of the fisheries and of the bounty system, cannot altogether shut his eyes to this view of the matter. "The precarious nature of the fishery," he observes, under the year 1782, "appears very strongly from the great inequality of the exportation from the same port. Campbelltown, which in the year 1755 exported 24,436 barrels, and has been generally one of the chief ports of Scotland for the exportation of herrings, exported this year only 396 barrels. Stranraer (in Wigtonshire) in the year 1758 exported 13,121 barrels, and has in some years exported none at all. Cod is chiefly imported from Shetland, next to which Campbelltown, and of later years sometimes Stornoway

* Annals of Commerce, iii. 634.

and Aberdeen, have been the chief fishing-places for the exportation of cod."*

The Irish herring-fishery appears to have been that which was carried on with the greatest spirit and success in the early years of the war. Large importations of herrings had long been made to Ireland from the East Country, or the coasts of the Baltic, to be thence re-exported to the West Indies, where they formed the principal food of the negroes ; but, while from 1764 to 1773 this importation from abroad averaged 25,365 barrels annually, besides 16,657 barrels from Great Britain, the total average importation from all parts from 1779 to 1783 had fallen to 12,277 barrels, and at the same time the quantity exported had greatly increased. In 1781 there were 147 bounty vessels fishing in Loch Swilly, besides 117 others from Liverpool and the Isle of Man. "The Irish," says Macpherson, "have great advantages in the herring-fishery. The arrival of the herrings, so precarious upon the extensive west coast of Scotland, is certain on the north-west coast of Ireland, and they swim close to the shore. The fishing is free from restrictions, and the adventurers either fish themselves or purchase from the fishers, as they find most convenient, whereby they are often enabled to complete their loading in two or three days, and to make several trips during one fishing season, which generally lasts six weeks or two months. And thus they can obtain a greater quantity of fish in the same space of time, and also run their cargoes much earlier to a market, than the British fisherman, who is tied down by restrictive laws to lose a great deal of time, and support a very heavy expense, that he may be entitled to the bounty." He adds that the certainty and greater abundance of herrings had induced many of the fishermen of England and Scotland to prefer the Irish fishing-grounds to those of their own coasts.†

For some years the multitude of herrings on the Swedish coast had been so great that, after as many were eaten and salted for future consumption and exportation

* Annals of Commerce, iii. 722.

† Ibid., p. 725.

as could be so disposed of, many millions of them were boiled for oil, of which one barrel was obtained from eighteen barrels of herrings. About 16,000 barrels of this herring-oil were made in the year 1781, of which between 14,000 and 15,000 barrels were exported to the Baltic, Holland, and Spain. But under the year 1784 we read, "This year no herrings appeared upon the coast of Sweden. But on the west coasts of Ireland and Scotland the abundance of these heaven-directed visitors was inconceivably great. On the Irish coast the fishermen generally loaded their boats with a single haul of a net, and each boat cleared 5*l.* in the three months of the summer fishing, though the herrings were sold during the first month (July) for about 10*d.* a thousand, or from 4*d.* to 6*d.* for as many as a horse could carry; though millions were boiled down for oil, and millions were thrown away. On the coast of Scotland as many herrings were caught in one inlet of the sea, called Loch Urn, in Inverness-shire, in seven or eight weeks, as, if they could have been brought to market, would have sold for 56,000*l.*; after which, the stock of salt and casks being expended, the people, who seem to have known nothing of the method of making oil of them, or were prevented by the want or high price of fuel, gave up the fishery."* This year, it is stated, the foreign vessels employed in the herring fishery on the north and west coasts of Scotland were no fewer than 275, carrying 3765 men; namely, 166 from various ports of Holland, 44 from Emden, 29 from Hamburg and Altona, 24 from Ostend and Nieuport, 7 from Dunkirk, together with three Danish yaggers and 2 Dutch store-ships.

The next year a new act was passed for the regulation of the fisheries (the 25 Geo. III. c. 65), which removed some restrictions under which the bounties had hitherto been paid: busses or vessels of the burthen of 80 tons or more were now allowed to receive bounty for that amount of tonnage; all the vessels were permitted to proceed direct to the fishery, without being compelled to muster at

* Macpherson, *Annals of Commerce*, iv. 85.

a general rendezvous ; and liberty was given to employ the salt shipped for curing herrings in curing cod, ling, or hake (which fish, so cured, however, were not to be entitled to any bounty on exportation). Another act was passed in 1786, reducing the bounty to 20s. per ton ; and a third the year after that, making some other alterations, which need not be detailed. It appears to have been only in the Scotch fishery that the bounty was operative to any material extent. According to a table which Macpherson inserts under the year 1800, "extracted," he says, "partly from various accounts laid before the committee of the House of Commons appointed to inquire into the state of the fisheries, who bestowed much attention on that important object in this and the preceding year, and partly from the books of the inspector-general of imports and exports," there were no vessels engaged in the English fishery "on the tonnage bounty" in any of the years 1783, 1784, and 1785, and only from one to six in any of the seven following years, except in 1788, when the number was 15, and 1789, when it was 16. Yet the exportations of herrings from England throughout the ten years are stated to have varied from 12,116 barrels of white herrings in 1785 to 25,630 in 1792, and from 12,914 barrels of red herrings in 1789 to 40,270 in 1784. In the Scotch fishery, on the other hand, the number of vessels engaged on the bounty system appears to have increased progressively from 154, measuring 7307 tons, and manned by 1696 hands, in 1783, to 332, measuring 15,525 tons, and employing 3738 hands, in 1792 ; while the quantity of herrings cured for the bounty rose during the same time from 13,603 barrels to 81,851. In 1792 also 25,822 barrels of herrings are stated to have been cured in Scotland "not on the tonnage bounty."* Some of the parties engaged in the Yarmouth fishery began, it seems, in the year 1787 to fit out vessels for the deep-sea fishery, under the encouragement of the act passed the preceding year, one of the clauses of which allotted premiums of 80, 60, 40, and 20 guineas, to be

* Macpherson, *Annals of Commerce*, iv. 531.

paid, in addition to the tonnage bounties, to the four vessels which should bring to land the greatest quantities of herrings from the north and north-east coasts of the kingdom between the beginning of June and the end of November. "Their fishermen," Macpherson relates, under the year 1789, "proceeded to Shetland, and sometimes so far beyond it that they fell in with floating ice. They followed the Dutch method of shooting their nets in deep water from the vessels, and not in lochs or bays from their boats, as the British buss-fishers do. In the second and third years of their fishing they believed their herrings to be nothing inferior to those of the Dutch in respect to curing ; and they sent the most of them to Hamburg, where, happening to be the first that arrived, they brought a price equal to that of the early Dutch herrings, and, after the arrival of the Dutch, they were still able to stand the competition with them. This year some of the Yarmouth pickled herrings were sent even to Rotterdam, and the owners had no reason to complain of their sales. But the expense of this mode of fishing, though it had hitherto been attended with such auspicious prospects, being greater than the usual returns could indemnify, and the adventurers being disappointed in obtaining the bounties they thought themselves entitled to, they gave it up."*

An account of the fishery and trade of Newfoundland from the end of the war, drawn up from official returns by the admirals commanding on that station, was published by the Board of Trade in 1792. According to this statement the number of British fishing-vessels engaged in the fishery had increased from 236 in 1784 to 389 in 1788, but had after that declined till it was only 276 in 1792 ; the British sack-vessels, which were only 60 in 1784, were 173 in 1786, and 161 in 1792 ; the British colony-vessels were 50 in 1784, 34 in 1786, 28 in 1788, 70 in 1789, and 57 in 1792 ; the bye-boats were 344 in 1784, and 584 in 1791 ; and the boats belonging to the inhabitants, which were only 1068 in 1784, were 2090 in 1788, and, although the number afterwards fell off, were

* Macpherson, *Annals of Commerce*, iv. 191.

still 1259 in 1791. In 1792 the bye-boats and boats of the inhabitants are reckoned together as 1997. The number of people residing throughout the winter in the island, which was 10,701 in 1784, had increased to 19,106 in 1789, but by 1791 had fallen off to 16,097. The exports in 1791 consisted of 751,296 quintals of dried cod (of which 29,717 were sent to the British islands, 57,177 to the West Indies; the remainder to Spain, Portugal, Italy, and Madeira) ; 20,825 quintals of eore fish (all to the British islands) ; 5046 tierces of salmon (mostly to the south of Europe) ; 1725 barrels of herrings (mostly to the West Indies) ; 2122 tons of oil (mostly to the British islands) ; 28,964 sealskins (all to Great Britain and Ireland) ; 40,544 feet of planks and boards (to the same quarter) ; 29,000 shingles (to the West Indies) ; 16,948 staves (to the British islands). These commodities formed the cargoes of 523 ships, measuring 58,420 tons, and manned by 4289 seamen ; 288 of the number clearing out for the Roman Catholic countries in the south of Europe, 140 for the British islands, 47 for the West Indies, 35 for the British possessions in North America, and 13 for the United States.

The Greenland or Northern whale-fishery received a great impulse from the cessation of the war. In 1781 the vessels engaged in this trade were only 34 from England and 5 from Scotland, measuring altogether 11,318 tons. The next year the bounty was raised from 30s. to 40s. per ton ; but the number of vessels was still only 44 (including 6 from Scotland) in 1782, and 51 (including 4 from Scotland) in 1783. In 1784, however, the number was 89 from England and 7 from Scotland ; in 1785, 136 from England and 13 from Scotland ; in 1786, 162 from England and 23 from Scotland ; and even in the next year, when the bounty was again reduced to 30s., the number was 219 from England and 31 from Scotland, measuring altogether 73,337 tons.* In 1788 it was still

* From a table in Macpherson's *Annals of Commerce*, iv. 180. The numbers differ somewhat from those given in Chalmers's *Historical View*, p. 175, on which the statement in the last chapter is founded.

216 from England and 31 from Scotland. After this, however, there was a considerable falling off; the account of shipping for 1789 exhibiting only 133 vessels cleared out for Greenland from England and 28 from Scotland; that for 1790, only 93 from England and 23 from Scotland; that for 1791, the same numbers; and that for 1792, only 73 from England and 20 from Scotland, measuring altogether 26,983 tons, or little more than a third of the quantity of shipping employed in the trade five years before. With the view of checking this decline, acts modifying the regulations under which the fishery should be conducted were passed by parliament in 1789, and again in 1791; but the result showed that the branch of enterprise which it was thus attempted to foster was really of too uncertain and precarious a nature to sustain itself without the artificial prop of the bounty system, according to the extension or restriction of which it was plain that the trade would usually expand or contract.

Meanwhile, a new whale fishery, which had sprung up some years before the commencement of the present period, was now annually attracting adventurers to an opposite region of the globe. The South Sea whale fishery took its rise, in some degree, as Macpherson observes, from the American war, with the breaking out of which the commencement of the prosecution of this trade by the English coincides. "The American whale-fishers," the historian relates, "when they found the whales scarce in their own seas, used to stretch over to the coast of Ireland, and often as far as Africa, Brazil, and even the remote Falkland islands, in pursuit of the spermaceti whales, the most valuable of the cetaceous tribes. That fishery being given up in consequence of the war, many of the harpooners were induced to enter into the service of the British merchants, who fitted out vessels for the Newfoundland and Southern whale-fisheries. For the latter, which was quite a new business in this country, there were equipped 15 vessels of about 170 tons, and each carrying four American harpooners; and, though their acquisitions were only about 40 or 50 tons of oil for

each vessel, yet the superior quality, and the price advanced by the war from 35*l.* to 70*l.* per ton, were sufficient to encourage the merchants to persevere in the business."** Acts establishing bounties for the encouragement of the South Sea whale-fishery were passed parliament in 1786, 1788, and 1789. It appears that vessels engaged in this trade, which till 1781 all belong to London, were 12 in 1776, 13 in 1777, 19 in 1778 after which the number fell to 4 in 1779, and was no higher than 9, which it was in 1783, till 1785, when it was 11. The number for 1786 is not given;† but it was 28 in 1787, 42 in 1788, 45 in 1789, 33 in 1790, 71 in 1791, and 42 of 9544 tons burthen and carrying 816 men in 1792. No Scotch vessels took part in this fishery.

At the same time that the political constitution government of the East India Company were regulated upon a new principle by the act of 24 Geo. III., sess. c. 25, passed on the 13th of August, 1784, a great change was wrought in the principal branch of the Company's trade by the act reducing the duties on tea, called Commutation Act (the 24 Geo. III. sess. 2, c. 25) passed on the 20th of the same month. In the years preceding 1780 the importations of tea from China into Europe had been 118,783,811 pounds in 107 ships belonging to the Continent, and only 50,759,451 pounds in 79 ships belonging to the Company; that is to say, the average annual importation by the Company had

* Annals of Commerce, iii. 590.

† In the table, printed by Macpherson (*Annals of Commerce*, iv. 180), from which we extract the figures in the text, both the number of vessels and the tonnage for 1785 are set down at 0. But this must be either a misprint or a misintroduction to indicate merely that the proper figure cannot be ascertained, for the other columns of the table show that the trade for that year was very considerable: the bounty paid amounted to 2400*l.*, and the returns from the fishery were 1113 tons of oil, 357 cwt. of whale-fins, 772 seal-skins. All these numbers are very greatly larger than those for the preceding year, when 11 vessels are said to have been engaged in the fishery.

only 5,639,939 pounds, while the supply annually brought by other parties was 13,198,201 pounds. At the same time, it was calculated, from the inquiries that were made in the best-informed quarters, that the consumption of the article in the British dominions and on the Continent was directly the reverse of what these quantities would indicate—that the people of the Continent certainly did not use more than 5,500,000 pounds of tea in the year, and the subjects of Great Britain at least 13,300,000 pounds. And it was also well known that several millions of pounds of the leaves of sloe, ash, and other trees, were sold for tea in this country ; so that the total quantity of the commodity, genuine and fictitious, that was consumed in the British dominions was supposed to be probably not much less than 18,000,000 pounds, of which between 12,000,000 and 13,000,000 must have been smuggled or counterfeit.* When the *ad valorem* duty was reduced by the Commutation Act from about 120 per cent. to 12½ per cent., the Company's sales increased at once to nearly three times their former amount. The quantity of tea sold by the Company in 1785 was 16,307,433 pounds ; in 1791 it was 16,989,748 ; in 1792 it was 17,294,205. The importations by the Company, of course, rose in the same proportion ; on the other hand, the quantity annually imported direct from China into the Continent of Europe went on decreasing, till from 19,072,300 pounds, which it was in 1784, it had fallen to 2,291,560 pounds in 1791. At the same time the demand for British goods, and especially woollens, became every year greater in China. In 1785 the woollens exported to China consisted only of 4534 pieces of cloth, of 60,000 pieces of long ell, and of 332 pieces of camlet ; in 1791 they consisted of 6456 pieces of cloth, 150,000 pieces of long ell, and 2340 pieces of camlet. In the former of these years no tin was exported ; in the latter the quantity sent out was 1200 tons. The exportation of tin commenced in 1789. Altogether, the

* Macpherson's History of the European Commerce with India, p. 209.

prime cost of the woollen goods exported by the Company to China, India, Bengal, and St. Helena, which was only 238,946*l.* in 1784, had grown to be 589,098*l.* in 1791, and 675,285*l.*, in 1792. Of this latter sum the portion paid for goods sent to China was 587,421*l.* The value of the entire merchandise exported by the Company, which in 1784 was 418,747*l.* in 27 vessels, was in 1792 1,081,262*l.* in 43 vessels. On the other hand, the quantity of bullion sent out gradually declined from 724,317*l.* in 1785, to 489,192*l.* in 1788; and then, after rising in 1789 to 787,078*l.*, fell again to 532,765*l.* in 1790, to 530,557*l.* in 1791, and to 10,948*l.* in 1792.* The entire value of the Company's imports, which in 1783 was 3,000,978*l.*, and which in 1784 was 4,204,981*l.*, was 4,647,974*l.* in 1785, 5,141,582*l.* in 1791, and 5,050,819*l.* in 1792. But during this space what was called the private trade also made a rapid progress, and became of large amount: this was the trade carried on by the commanders and officers of the Company's ships, and by their servants and the free merchants residing by their permission in India, who were allowed to export and import goods on their own account in whatever spare room was left in the ships after the cargoes belonging to the Company had been taken on board. In this private trade, the value of the imports, which in 1783 was only 144,176*l.*, and in 1784 400,784*l.*, had by 1787 risen to 918,389*l.*, and was 930,930*l.* in 1790; 709,455*l.* in 1791, and 703,578*l.* in 1792. The progress of the entire trade will be most distinctly indicated by exhibiting its state for the three years immediately preceding 1785, and during the three years ending with 1792:—In 1782, total exports 547,092*l.* in 24 ships, total imports 3,353,174*l.*; in 1783, exports 405,442*l.* in 13 ships, imports 3,145,154*l.*; in 1784, exports 418,747*l.* in 27 ships, imports 4,605,765*l.*; in 1790, exports 1,461,488*l.* in 25 ships, imports 6,085,438*l.*; in 1791, exports 1,505,516*l.* in 28 ships, imports 5,850,987*l.*; in 1792,

* Table in Macpherson's History of European Commerce with India, p. 420. At p. 211 he makes the bullion exported in 1791 to have been only 422,098*l.*

exports 1,042,205*l.* in 43 ships, imports 5,754,397*l.* It is to be remembered that there was no bullion exported in the former three years, and only the amount of 10,943*l.* in 1792.

The increase of the trade demanding the employment of a larger capital, the Company was empowered in 1786 (by the 26 Geo. III. c. 62) to add 800,000*l.* to its stock; and this, being subscribed for at 155 per cent., produced an actual additional capital of 1,240,000*l.* In 1789 another act (the 29 Geo. III. c. 65) authorized the augmentation of the capital of the Company by the sum of 1,000,000*l.*; which, being subscribed for at 174 per cent., produced 1,740,000*l.* The Company's nominal capital was now 5,000,000*l.*, upon which the proprietors were paid a dividend of 8 per cent., as they had been ever since 1778.

We will close these details of the state of the several branches of our commerce in 1792, and of the progress it had made during the preceding eight years of peace, by collecting from some curious tables and statements given by George Chalmers, in his "Historical View of the Domestic Economy of Great Britain and Ireland," the leading particulars of the commercial condition of the country at the commencement of the war with France in 1793, as compared with what it was at the commencement of the American war in 1774.

Taking the averages of the six years ending with 1774, and of the six ending with 1792, it appears that the value of British manufactures annually exported to the different countries of the world had increased between the one date and the other as follows:—to Ireland, from 1,024,231*l.* to 1,352,291*l.*; to Guernsey and the other Channel islands, from 36,201*l.* to 73,342*l.*; to the Isle of Man, from 2893*l.* to 17,717*l.*; to Greenland, from 2*l.* to 11*l.*; to the South Sea whale-fishery, from 0*l.* to 75*l.*; to New Holland, from 0*l.* to 3179*l.*; to the East Indies, from 907,240*l.* to 1,921,955*l.*; to the West Indies, from 1,209,265*l.* to 1,845,962*l.*; to British America, from 310,946*l.* to 697,205*l.*; to the United States, from 2,216,824*l.* to 2,807,306*l.*; to Africa, from 449,384*l.*

to 568,663*l.*; to Holland, from 741,886*l.* to 746,715*l.*; to Italy and Venice, from 618,817*l.* to 722,221*l.*; to Portugal and Madeira, from 578,951*l.* to 643,553*l.*; to Germany, from 431,223*l.* to 763,160*l.*; to Flanders, from 332,667*l.* to 386,054*l.*; to the Straits and Gibraltar, from 136,713*l.* to 250,228*l.*; to Russia, from 132,257*l.* to 278,054*l.*; to Denmark and Norway, from 97,034*l.* to 160,131*l.*; to France, from 87,164*l.* to 717,807*l.*; to Turkey, from 65,189*l.* to 73,026*l.*; to the East Country, from 62,996*l.* to 78,674*l.*; to Sweden, from 22,090*l.* to 41,575*l.* The only instance of decrease was in the exports to Spain and the Canaries, the value of which had declined from 878,066*l.* to 605,055*l.* On the whole, the average exports to the British dominions in Europe had risen from 1,063,327*l.* to 1,443,361*l.*; those to countries beyond Europe, from 5,093,639*l.* to 7,844,345*l.*; those to all foreign European countries, from 4,185,053*l.* to 5,466,253*l.*; making a total increase of from 10,342,019*l.* to 14,753,959*l.*, or of not much less than 50 per cent. in the eighteen years, the first eight of which had been years of war and only the last ten years of peace.

Another account shows the quantity of the shipping cleared outwards from Great Britain at the commencement, the middle, and the close of this period of eighteen years. This was, on the average of the years 1772, '73, and '74, British 899,631 tons, foreign 66,443; total, 966,074; value of cargoes, 17,128,029*l.*: on the average of 1785, '86, and '87, British 1,156,306 tons, foreign 122,301; total 1,278,607; value of cargoes, 16,429,497*l.*; on the average of 1790, '91, and '92, British 1,499,105 tons, foreign 169,684; total, 1,668,789; value of cargoes, 22,585,772*l.* In 1791 the entire quantity of shipping belonging to the British dominions consisted of 15,647 ships, measuring 1,511,401 tons, and manned by 117,113 hands; in 1792, of 16,079 ships, measuring 1,540,145 tons, and manned by 118,286 hands; in 1793, of 16,329 ships, measuring 1,564,520 tons, and manned by 118,952 hands. Of the ships in the last of these years, 10,779 belonged to England, 2122 to Scotland, 1181 to Ireland, 1889 to the colonies, 177 to the Isle of

Man, 92 to Jersey, and 89 to Guernsey. The royal navy, which in 1760 amounted to 300,416 tons, had declined to 276,046 tons in 1774, but had risen to 438,239 tons in 1792; in which year it consisted of 7 first-rates, 21 second-rates, 112 third-rates, 21 fourth-rates, 108 fifth-rates, 42 sixth-rates, and 192 sloops, &c., making a total of 498 vessels of all kinds.*

As a final index of the increase of the commercial activity of the nation, and the general progress of our economical prosperity, during the interval between the war of the American and the war of the French revolution, we may notice the growth of the post-office revenue. Macpherson, in his "Annals of Commerce," has given a table, drawn up, in the latter part of it, under the direction of the secretary and accountant-general of the post-office, which exhibits both the gross and net annual revenue from 1783, and also presents a view of the history of the establishment from the earliest date. In 1652, according to this account, the revenues of the post-offices of England, Scotland, and Ireland, were farmed for 10,000*l.* At this time there were only two rates of postage: 2*d.* for a letter carried not more than eighty miles; 3*d.* for one carried beyond that distance. In 1663 the post-office was farmed for 21,000*l.*; and in 1685 the revenue was estimated at 65,000*l.* This, however, was probably the gross revenue; for, on the average of the four years from 1707 to 1710 inclusive, the net annual revenue is stated to have been only 58,062*l.* In 1711 the rates of postage were augmented 50 per cent.; and on the average of the four years from 1711 to 1714 inclusive, the annual net revenue was 88,223*l.* for England and 2000*l.* for Scotland, or in all 90,223*l.* In 1722 the gross revenue was 201,804*l.*; but this included 33,398*l.* for franks, while the management or expenses of the establishment amounted to 70,386*l.*; so that the net revenue or actual produce was no more than 98,010*l.* For the year ending 5th April, 1755, the gross revenue was 210,663*l.*; but whether this included the rates that would

* Chalmers, *Historical View*, pp. 215-219.

have been chargeable on franks does not appear. The privilege of franking was considerably limited in 1764 (by the 4 Geo. III. c. 24); and in the year ending 5th April, 1765, the gross revenue of the post-office was 281,535*l.* In that ending 5th April, 1775, it was 345,321*l.* In 1783 the gross revenue was 416,668*l.*, the net produce 159,858*l.* In 1784 the privilege of franking was further limited (by the 24 Geo. III. sess. 2, c. 37), the rates of postage were raised, and the expenses were also reduced, as well as additional rapidity, punctuality, and security given to the conveyance of letters by the establishment of mail-coaches, and the other improvements introduced by Mr. Palmer. For that year the gross revenue of the post-office was 438,734*l.*, the net produce 197,655*l.* In 1785 the gross revenue was 486,178*l.*, the net produce 265,679*l.* And from this point the returns continued steadily to increase, till in 1792 the gross revenue was 607,881*l.*, the net produce 368,784*l.** This would indicate an augmentation of correspondence since 1784 to the extent of not much less than 40 per cent.

But this onward course, in which things had been proceeding so steadily for eight or nine years, was, towards the close of the year 1792, checked and brought to a stand-still at once. In the month of November in that year, the Gazette announced the unprecedented number of 105 bankruptcies. No such wide-spread commercial ruin had ever before been known in England in the worst of times. In the beginning of the eighteenth century the average number of bankruptcies in England was not 40 a-year. From 1710 to 1720 the number was as often considerably under as somewhat above 200. It was

* Macpherson's Annals of Commerce, iv. 547, 548. The table of the gross revenue from 1786 to 1793, in Chalmers's Historical View, p. 208, gives considerably smaller sums under each year: the difference is probably occasioned by the revenue of the Scotch post-office being included in the one account, and not in the other. The statements of the gross revenue for 1784 and 1785, given in our preceding chapter, must be understood as referring to England only.

415 in 1726, 446 in 1727, and 388 in 1728 ; but after these three years it again declined, till, in 1745, it was only 200, and in 1746 only 159 ; nor was it ever so high as 300 till the year 1764, when it was 301. It was 525 in 1772, and 562 in 1773 ; but in 1774 it fell again to 360. In 1778 the extraordinary number of 675 bankruptcies occurred ; but, for the next six years, the average number was only about 500 annually. It rose gradually with the extension of trade ; but, although it was 604 in 1791, the rate at which it proceeded for the first ten months of 1792 would not have made it more than 570 for the whole of that year. What occasioned the shock and panic in the public mind was, the suddenness with which the monthly number of bankruptcies mounted to 105 in November, from having been not so many as 50 per month, on an average, since the beginning of the year. The greatest number of bankruptcies that had ever before this occurred in one month was 83, which was the number in November, 1788.*

Referring to these facts, “we may see,” observes Chalmers, “that the commencement of Queen Anne’s war did not greatly incommod our traders. The bustle and business of her hostilities appear to have increased the number of bankrupts. The rebellion of 1715 seems to have made none. The South Sea year, 1720, appears to have involved our merchants in the burst of bubbles, though it was public rather than private credit which was chiefly affected during this unhappy year of visionary projects. Our bankruptcies now regularly increased with the augmentation of our trade. The rebellion of 1745 overturned none of our commercial houses. The war of 1756 seems to have done a little more mischief, though that mischief seems to have decreased as hostilities went on. The peace of 1763 augmented the number of bankruptcies, though the commercial distresses of that period seem to have been more in sound than in reality. With our traffic and business, our bankruptcies continued to

* See Table of the number of bankruptcies in every month, from 1700 to 1793, in Chalmers’s Historical View, p. 223.

increase in number and magnitude. We perceive how many they were augmented during 1772 and 1773, when our circulation was impeded at a moment of uncommon prosperity. We see a smaller number of bankruptcies in 1781, when our trade was the most depressed during the American war, than in 1772 and 1773. The two most prosperous years which this nation had ever known were 1791 and 1792; yet, strange to tell, the number of our bankruptcies was larger than the amount of them in 1781, the most disastrous year of the American war.”*

The alarm, however, excited by the large number of the bankruptcies which took place in November, 1792, did not arrive at its height till the spring of the following year. In December, 1792, the bankruptcies were only 47; but in January, 1793, the number was 77, in February 87, in March 105, in April 188, in May 209, in June 158, in July 108: thus, for the five months from March to July inclusive, making an average of about 154 a month, or at the rate of 1850 a year. The actual number of bankruptcies in the year 1793 was 1304, which was considerably more than twice the number that had happened in any preceding year, with the exception only of the year 1778, when rather more than half as many had happened.

Many of the houses that came down in this commercial storm of the spring and summer of 1793 were of old standing and great eminence; and their liabilities were of an amount proportioned to the extent to which their business had been carried on, and the confidence that had been universally reposed in their wealth and stability. Chalmers, who endeavours to show that the shock thus given to the system of the national credit and trade had nothing to do with the war between England and France, which, after having been for some time manifestly inevitable, broke out in the beginning of February in this year, has preserved some interesting details of the commencement and progress of the panic. “The first bankruptcy,” he states, “which created suspicion, from its

* Historical View, p. 225.

amount, was the failure of Donald and Burton, on the 15th of February, 1793. They were engaged in the most uncertain of all traffics—in the trade of corn—in speculations on American corn; but they had sustained no loss from the war. On Tuesday evening, the 19th of February, the Bank of England threw out the paper of Lane, Son, and Fraser, who had never recovered the shocks of the American war; and next morning they stopped payment, to the amount of almost a million of money. This great failure involved the fate of several very substantial traders; but none of those houses had sustained any damage from the war. Suspicion was now carried up to alarm; and every merchant and every banker who was concerned in the circulation of negotiable paper met with unusual obstructions in their daily business; yet it was not till the 16th of March that the long-established house of Burton, Forbes, and Gregory stopped, which was followed, on the 18th, by the failure of their correspondents, Caldwell and Company, of Liverpool, to the amount of nearly a million. Still, neither of these great circulators of paper had sustained any loss from the war; and, as suspicion had been carried up to alarm, alarm was now magnified into panic.”* The real cause of the mischief Chalmers finds in the great number and reckless operations of the country banks, which within the last few years had sprung up in almost every market-town. Of 279 of these establishments, of which he had a list, no fewer than 204 issued what were called optional notes, that is, notes which the bank reserved to itself the option of paying either in London or in the country; and of these 71 stopped payment in this year, 1793. “Their notes,” says Chalmers, “came oftener, and in greater numbers, to London, than were welcome in the shops of London. These notes became discredited, not only in proportion as the supply was greater than the demand for them, but as the banks were distant and unknown. The projects and arts by which those notes were pushed into the circle of trade were regarded with a very evil eye by

* Historical View, p. 227

those who, in this management, saw great imprudence in many, and a little fraudulence in some. When suspicion stalked out to create alarm, and alarm ran about to excite panic, more than 300 country banks in England sustained a shock ; all were shaken ; upwards of 100 stopped ; some of which, however, afterwards went on in their usual course of punctual payments.”* The entire number of country banks in England and Wales, at this time, has been variously stated at from 280 to above 400.† The bankrupts of the disastrous spring and summer of 1793 were chiefly, Chalmers asserts, country bankers and country traders. Few foreign merchants, he affirms, failed. Macpherson also agrees that the country banks, “ which were multiplied greatly beyond the demand of the country, and whose eagerness to push their notes into circulation had laid the foundation of their own misfortunes, were among the greatest sufferers, and consequently the greatest spreaders of distress and ruin among those connected with them.” “ And they were also,” he adds, “ the chief cause of the great drain of cash from the Bank of England, exceeding every demand of the kind for about ten years back.”‡

In the universal alarm, applications from various quarters were made to the government : and at length, on Monday the 22nd of April, Mr. Pitt called together a number of gentlemen, at his house, to take their opinion as to a proposition for the revival of commercial credit, and the restoration of confidence, by a parliamentary advance of exchequer bills to parties possessed of real capital.§ There was much disunion and difference of opinion at this meeting ; but in the end it was agreed that eleven of the leading merchants present, being principally those who had expressed the greatest difficulties in seeing their

* Historical View, p. 229.

† See Macpherson’s Annals of Commerce, iv. 266.

‡ Ibid.

§ This motion was suggested in a letter to Pitt by Sir John Sinclair on the 16th of April. See Sir John’s History of the Revenue (3rd edit.), ii., 287-301.

way to any remedy for the universally admitted evil, should assemble again on the following day at the Mansion-House, to take the plan submitted by the minister into further consideration. At this second meeting it was, after another long discussion, unanimously agreed, "that the interposition of parliament was necessary, and that an issue of exchequer bills, under certain regulations and stipulations, was the best practical remedy." A representation to this effect having been drawn up, a copy of it was immediately laid before Mr. Pitt, who lost no time in calling the attention of the House of Commons to the subject; and on the 25th, on his motion, a select committee was appointed, "to take into consideration the present state of commercial credit, and to report their opinion and observations thereupon to the House." The report of the committee was brought up by the chairman (the Lord Mayor) on the 29th. It embodied a statement which had been made to the committee by the chancellor of the exchequer (Pitt), to the effect that, according to representations which had been made to him from many different quarters, the failures which had taken place had begun by a run on those houses which had issued circulating paper without being possessed of sufficient capital, but the consequences had soon extended themselves so far as to affect many houses of great solidity, and possessed of funds much more than sufficient ultimately to answer all demands upon them, although these funds could not be converted into money or negotiable securities in time to meet the pressure of the moment. The mere sudden discredit of the paper issued by many of the country banks, Pitt went on to observe, had of itself produced a deficiency of the circulating medium, occasioning material inconvenience in mercantile transactions. Then, in addition to this, the circumstances in which they were placed had induced bankers and others to keep in their hands greater quantities of money than usual, so that large sums were in this way kept out of circulation, and much difficulty was experienced in procuring the usual advances on bills of exchange, particularly on those of long date. Finally, many persons possessed of larg

stocks of goods could at the present moment neither dispose of them nor raise money on their credit; in consequence of which the usual orders to manufacturers were interrupted, and numbers of their working people thrown out of employment. It is said that many of the workmen who were discharged and thrown idle at this crisis enlisted in the army, and many others emigrated to foreign countries.* The statement made by the chancellor of the exchequer, the report proceeded to relate, was borne out by facts which several members of the committee mentioned as having fallen under their personal information. Mr. Thornton, for instance, was acquainted with the situation of five or six mercantile houses, possessed of quantities of goods abundantly sufficient to cover their liabilities, but which they could neither sell nor convert into money, so that they were under very great apprehension of being shortly obliged to stop payment. He had been lately appointed a trustee for winding up the affairs of a London firm, with extensive connexions in the country, which, after suspending payments for three weeks, had been enabled to pay its acceptances, and within a twelvemonth would discharge all its debts, and probably find itself in possession of a surplus of 100,000*l.* Other cases of a similar kind were mentioned by Mr. Alderman Anderson and Mr. Chiswell. Mr. Gilbert Innes, a director of the Royal Bank of Scotland, being examined by the committee, stated that that country was in very great distress—that the two chartered banks there would not be able much longer, with prudence to themselves, to furnish the necessary accommodation and support either to the several mercantile and manufacturing establishments or to the country banks; and consequently if something was not immediately done by government, a very general commercial ruin might be expected, involving many houses of undoubtedly ample means. The distress which threatened the Scotch manufacturers arose not so much, in Mr. Innes's opinion, from a failure of the usual markets for their goods, as

* Macpherson, *Annals of Commerce*, iv. 267, note.

from the difficulty of discounting, either in London or in Scotland, the long-dated bills received from the purchasers of their goods. Great quantities of manufactured goods belonging to Scotch manufacturers were then in London, which used when sold to be paid for in bills at three months for a small part, and at from six to fourteen months for the rest, but which now either remained unsold or were disposed of at a loss for cash, in consequence of the long-dated bills not being negotiable. The Scotch manufacturers frequently borrowed money for the purposes of their business on personal bonds, a great part of which money had been called for at Whitsunday next (the 15th of May); and from the state of credit in Scotland this witness had reason to think that the manufacturers would not, as usual, be able to answer this call by borrowing again on their former securities. Innes believed that the quantity of paper circulated by the country banks in Scotland had of late been considerably diminished, and their discounts on bills of exchange greatly so since the present troubles began; but the circulation of the metropolitan bank with which he was connected was, he stated, nearly the same as usual, and the assistance given by it to the country greatly superior to what it had given at any former period. Mr. Macdowal, member for Glasgow, and also a member of the committee, stated that he had just returned from that city, where he had found "all the commercial houses and manufacturers in the greatest distress, from the late stagnation of commercial credit and total want of private confidence." The banks at Glasgow, Paisley, and Grecnock had not for some time past discounted to any extent, from their notes being poured in upon them for gold, and from the alarm which the state of credit in London had occasioned. In Glasgow, Paisley, and the places connected with them in different parts of Scotland, there were about 160,000 men, women, and children dependent for employment upon the manufacturers; and in Glasgow a very great number of these working people had been already discharged. Looking to the whole case, the committee came unanimously to the conclusion

that it was advisable to adopt the plan which had been proposed, of assisting houses possessed of sufficient means, and which could give the necessary security, by advances of public money ; and the report recommended that the amount of exchequer bills to be issued for this purpose should be 5,000,000*l.* instead of 3,000,000*l.*, as originally suggested. When the report was read in the House, a short debate took place on the question that it should be referred to a committee of the whole House on the following day. Fox said that he did not feel disposed to give his consent to the proposed measure, but yet he confessed, under the present circumstances of the country, he wanted nerves to give it a decided opposition. " It seemed to him a business of a very anomalous nature, nor had he ever heard of a system in any shape similar having been hitherto adopted or thought of." Both he and Mr. Grey also objected to the unconstitutional influence and control which the plan would enable the government to exercise over the commerce of the country ; and they urged that, if the proposed advances of money to parties in difficulty really were expedient, they ought to be left to be made by the Bank, whose proper business it was to lend money to all who could offer it sufficient security. On the next day, the 30th, the subject was again warmly discussed, when Fox reiterated his objections at greater length, and was supported by Mr. Francis and Mr. M. A. Taylor ; but nobody ventured formally to move a negative to Pitt's proposition, that his majesty should be enabled to direct exchequer bills to the amount of 5,000,000*l.*, to be issued to commissioners, to be by them advanced, under certain regulations and restrictions, for the assistance and accommodation of such persons as should be desirous of receiving the same, on due security being given for the repayment of the sum so advanced within a time to be limited. The minister and his friends expressed perfect confidence in the efficacy of the measure, if it should be only brought into operation without any considerable delay. Pitt said " that, from the nature of the business, the Bank had declined interfering, because the species of the security to be given was not such

as the Bank had been accustomed to receive. The measure now proposed was of a temporary nature. The practice of the Bank upon discount was permanent. The Bank took securities for what business they transacted in this way at two months. The security to be given here was not determinable at that time, and the deposit was of a nature which the Bank had not been accustomed to act upon." The resolution having been agreed to, it was reported to the House the next day, and a bill pursuant to it brought in, which underwent some discussion two days after on the motion for committing it, but was carried triumphantly through all its stages. The advances, which were to bear interest at the rate of $2\frac{1}{2}d.$ per day on the 100*l.*, and were to be in sums of not less than 4000*l.*, were authorized to be made on security approved by the commissioners, or on the deposit of goods of double the value of the sums advanced, to be lodged in warehouses, to the satisfaction of the commissioners, if in London, or of the principal officers of the customs or excise, if in Bristol, Hull, Liverpool, Glasgow, Edinburgh, or Leith.

It is admitted on all hands that the effect of this measure was immediate and powerful. "The very first intimation," says Macpherson, "of the intention of the legislature to support the merchants operated all over the country like a charm, and in a great degree superseded the necessity of the relief by an almost instantaneous restoration of mutual confidence."* The entire number of applications for advances out of the 5,000,000*l.* granted by parliament was 332; and the entire amount applied for was only 3,855,624*l.* The applications by 45 parties for 1,215,000*l.* of this sum was afterwards withdrawn or not persisted in; and 49 applications, for 438,324*l.*, were rejected, as not coming within the intention of the act, or from the inability of the parties to give the required security; so that the whole amount that was actually advanced was 2,202,200*l.*, to 238 applicants. According to an account printed by Chalmers, the following were nearly the sums granted to the different parts of

* *Annals of Commerce*, iv. 269.

the kingdom:—To London, 989,700*l.*; to Glasgow, 319,730*l.*; to Manchester, 246,500*l.*; to Liverpool, 137,020*l.*; to Bristol, 41,500*l.*; to Leith, 25,750*l.*; to Paisley, 31,000*l.*; to Dundee, 16,000*l.*; to Edinburgh, Perth, and Banff, 4,000*l.* each.; and to other places, 310,000*l.** (or rather 383,000*l.*, if we are to account for the distribution of the entire amount advanced). Of the 2,202,000*l.* every farthing was repaid, together with interest amounting to 13,033*l.* (or 434*l.* beyond the expenses of management); and of the 238 persons who were assisted, only two became bankrupt. Long before the end of the year confidence was perfectly restored, and the facility of raising money both in London and in the country had become as great as it usually is in a healthy state of the commercial system. The bankruptcies announced in the Gazette for the last five months of the year 1793 were only at the rate of about 7*4* a month, or not half as many as the preceding five months had produced.

In Scotland, Chalmers affirms, the commercial distress during this crisis, though great, was much less than in England. Adam Smith has given an account of the act of parliament passed in 1765 (the 5 Geo. III. c. 49) which suppressed the ten and five shilling bank-notes till then circulated in Scotland, and also what were there called optional notes, that is, notes containing a clause by which the bank “promised payment to the bearer, either as soon as the note should be presented, or, in the option of the directors, six months after such presentment, together with the legal interest for the said six months.” “The directors of some of those banks,” continues Smith, “sometimes took advantage of this optional clause, and sometimes threatened those who demanded gold and silver in exchange for a considerable number of their notes, that they would take advantage of it unless such demanders would content themselves with a part of

* Historical View, p. 232. Chalmers says that the account is, he believes, sufficiently accurate to show to what parts of the country the principal relief was granted.

what they demanded. The promissory notes of those banking companies constituted at that time the far greater part of the currency of Scotland, which this uncertainty of payment necessarily degraded below the value of gold and silver money. During the continuance of this abuse (which prevailed chiefly in 1762, 1763, and 1764), while the exchange between London and Carlisle was at par, that between London and Dumfries would sometimes be 4 per cent., against Dumfries, though this town is not thirty miles distant from Carlisle."* The act of 1765 at once restored the exchange between England and Scotland to its natural state; and Chalmers attributes to the greater circumspection introduced from that era into the banking system of the latter country much of the comparative stability which it was now found to possess. The following account is given in a letter which he quotes from a Glasgow correspondent:—"The distress began to be felt here in a few days after it began in London in the month of February last; but we had no failures till the 28th of March, when the banking-house of Murdoch, Robertson, and Co. were made bankrupts for about 115,000*l.* This was followed by the banking-house of A. G. and A. Thompsons, who owed about 47,000*l.* The first will pay every shilling to their creditors; and it is supposed that the last will do so also. One or two more of the country banks in the west of Scotland were under temporary difficulties, but made no pause; and, having got assistance, they went on; and, as all the other banks did, drew in their funds and lessened their engagements. Some of the banks here did certainly continue to discount some bills, but in a less degree than formerly. All of the banks were under the necessity of allowing many of such bills as they held to be renewed at two or three months' date, either in whole or in part, according to circumstances, which, in fact, was the same thing as a new discount. In this way all our banks have been going on to this hour, by making renewals when they could not obtain payment, endeavouring to lessen the

* *Wealth of Nations*, book ii., chap. 2.

amount at every renewal, so as gradually to draw in their funds."** It is pretty evident from this statement, however, that the utmost the generality of the Scotch banks were able or even attempted to do was to take care of themselves; the accommodation which they had been accustomed to give to the public appears to have been all at once not merely restricted, but entirely withdrawn.

Chalmers conceives that the increase in the number of bankruptcies which took place in 1792 and 1793 was, in great part at least, a natural consequence of the extraordinary commercial activity and prosperity of the preceding eight or nine years; and to illustrate this view of the matter he refers to a statement made by Lord Kaims, which in his lordship's own words is as follows:—"In Scotland, an innocent bankrupt, imprisoned for debt, obtains liberty by a process called *cessio bonorum*. From the year 1694 to 1744 there were but twenty-four processes of that kind; which shows how languidly trade was carried on while the people remained still ignorant of their advantages by the Union. From that time to the year 1771 there have been thrice that number every year, taking one year with another; an evident proof of the late rapid progress of commerce in Scotland. Every one is roused to venture his small stock, though every one cannot be successful."† That is to say, apparently, that, while the average number of bankruptcies in Scotland during the half century ending with 1744 was not quite one in the two years, the average number in the next quarter of a century was seventy-two annually, or a hundred and forty-four times as many as before. Of course, where there is no trade there can be no bankruptcies; and a busy and extending trade, with its elements of speculation and adventure, will produce more than its due proportion of bankruptcies, as compared with a trade which neither overflows its old channels nor seeks new ones. If bankruptcies really increased in Scotland after

* Historical View, p. 233.

† Sketches of the History of Man, book i., sketch 5, sect. I, note.

1744 at the rate Kaims seems to assert, the commerce of the country must have begun from that epoch not only to extend itself rapidly beyond its ancient limits, but altogether to change its character. The natural growth and expansion of the commercial system of England may be held sufficient to account for the gradual augmentation in the annual number of bankruptcies from 1762, for example, when it was 205, to 1792, when it was 628—or the prosperity of the seven years from 1784 to 1791 may of itself have been enough to raise the number in that interval from 517 to 604; but it must have been something else than this constantly operating cause which suddenly more than doubled it two years after. If, indeed, the prosperity was in a great degree only apparent or hollow, it would be easy to understand how the crash should have been the greater the longer it was deferred—how the downfall of the house of cards should have made the more wide-spread ruin the higher it had been raised. And this appears to have actually been the case in so far as the system of trade which had arisen was kept up by a paper currency not representing any real capital. Such support is like that given to the physical system of an individual by alcohol or opium.

Another consolatory view which Chalmers takes is, that this crisis was upon the whole certainly productive of more good than evil. This is explained in a passage which he gives from another letter of his Glasgow correspondent, written in the end of the year 1793:—"The truth is, that most of us are of opinion that the late stagnation has been exceedingly useful to our trade; and that, if it does not proceed too far, it will be attended with the most beneficial consequences to men of real capital. For previous thereto the sales were so rapid, the returns so quick, and money so abundant, that much business was established upon little better than mere paper circulation, or speculation alone, which is now at an end. The wages of our labourers, too, had got to such a height, that we must in all probability have been gradually undermined in foreign markets by foreign manufacturers; and, if this had once occurred, it would have been much

more difficult to recover from than any temporary shock like the present. Besides, these high wages occasioned much idleness and dissipation ; and much of the time of our workmen was consequently spent in alehouses, where they became politicians and government-mongers, restless and discontented. Upon the whole, therefore, we may say with truth, that all which has hitherto happened has been for the best.”* All this, however, only goes to show that the storm that cleared the atmosphere was needed for that purpose—not that the destruction it wrought was a good thing in itself.

This storm, however, which had almost wrecked the commerce and navigation of England, Chalmers considers to have, even at the time, very little deranged the trade of Scotland. The total official value of the exports from Scotland, which had been 1,170,076*l.* in 1789, and 1,230,884*l.* in 1792, was in 1793 only brought down to 1,024,751*l.* Of the shipping of that country the entire tonnage, which was 154,409 tons in 1790, and 157,098 in 1791, was 154,857 in 1792, and 155,315 in 1793. The quantity of linen cloth manufactured in Scotland for sale, which was 18,739,725 yards in 1791, rose to 21,065,386 in 1792, and was still 20,676,620 in 1793. From these facts this writer infers “that the commercial affairs of Scotland were little embarrassed by the impeded circulation in 1793, and still less by the commencement of war.” “And,” he concludes, “I am inclined to believe that, had not any unusual bankruptcies happened in England during 1793 from the imprudent management of country banks, her trade and shipping had been little lessened by sudden hostilities.”†

The history of our foreign trade during the war will be most conveniently and distinctly traced by taking first and by itself the space of four years that elapsed before the suspension of cash payments by the Bank. In the year 1793, the last of the peace, the official value of the total imports into Great Britain, as we have seen, was 19,659,358*l.*; that of the exports thence to all parts of

* Historical View, p. 236.

† Ibid., p. 235.

the world, 24,905,200*l.* For the first four years of the war the annual imports and exports are stated to have been as follow:—in 1793, imports 19,255,116*l.*, exports 20,888,828*l.*; in 1794, imports 22,276,915*l.*, exports 26,748,083*l.*; in 1795, imports 22,736,889*l.*, exports 27,123,388*l.*; in 1796, imports 23,187,319*l.*, exports 30,518,913*l.* So that, with the exception of the first year of hostilities only, our trade would appear, by these accounts, to have been not only steadily progressive during this space, but to have advanced at a much more rapid rate than even in the previous season of peace. From 1793 to 1796, taking imports and exports together, the augmentation is made to have amounted to not less than 36 per cent., or more than one-third, which was very nearly double the augmentation that took place in the three years from 1789 to 1792.

The statement of the tonnage of the ships entered inward and cleared outward, however, in these four years scarcely bears out these accounts of imports and exports. The tonnage of the ships entered inward in 1792, was, as stated in a preceding page, 1,891,711 tons; of those cleared outwards, 1,739,300. For the four following years the amounts, as they are to be collected from the official tables,¹ were—in 1793, inward 1,675,327 tons, outward 1,427,234; in 1794, inward 1,786,091, outward 1,600,817; in 1795, inward 1,632,815, outward 1,529,017; in 1796, inward 1,995,018, outward 1,632,984. According to this indication the entire increase of trade from 1793 to 1796 would be only about 16 per cent. Still this account also establishes the fact that there was an increase, and one of considerable amount.* The net revenue of the customs, which had

* In the chronological account given by Chalmers (*Historical View*, opposite to p. 315), the tonnage of the ships cleared outward in 1796 is made 1,732,980 tons. The excess of about 100,000 tons over the amount to be collected from the detailed account of Macpherson (*Annals of Commerce*, iv. 400) is on the British ships: both statements agree in making the tonnage of the foreign ships cleared outward 178,358 tons. If we follow this statement of the shipping in

been 4,027,230*l.* in 1792, was 3,978,645*l.* in 1793, 3,565,117*l.* in 1794, 3,569,360*l.* in 1795, and 3,651,757*l.* in 1796. But, for the reasons already explained, very little can be made of this last series of figures as an index of the progress of our foreign trade.

The effect of the commencement of hostilities with France, of course, was at once to extinguish nearly the whole of the large and growing trade which had for some years been carried on directly between the two countries, under the treaty of 1786. The treaty itself was at an end; and to the natural difficulties interposed by the war were added positive prohibitions by the one power against the exportation of almost every species of goods which the other would receive, and the importation of nearly everything which the other would allow to leave its dominions. The trade, accordingly, in so far at least as indicated by the entries at the Custom-house, was speedily reduced to a very small matter. In 1792, as we have seen, our imports from France were valued at 717,634*l.*, our exports thither at 1,228,165*l.* In 1793 the imports are stated in the accounts of the inspector-general at 121,027*l.*, the exports at 228,887*l.*; in 1794, the imports at 167*l.*, the exports at 34,543*l.*; in 1795, the imports at 10,362*l.*, the exports at 78,652*l.*; in 1796,

Chalmers, the augmentation of trade thereby indicated in the three years from 1793 to 1796 would be above 20 per cent. The accuracy of the official account of exports for 1796 was, it seems, objected to in the House of Commons, and, when a member pointed out particularly the article of coffee, as stated to be exported to the incredible value of 6,000,000*l.*, Mr. Pitt allowed that there might be a mistake in that article (Macpherson, Annals of Commerce, iv. 381, note). We shall afterwards find that this supposed mistake admits of some explanation. But in fact the amount of foreign (under which is included colonial) merchandize exported in 1796, as stated in the official account, exhibits no remarkable increase upon its amount for some years preceding. It is 10,022,680*l.* in 1794, 10,785,125*l.* in 1795, and 11,416,693*l.* in 1796. And the next year the increase was still greater than this.

the imports at 14,655*l.*, the exports at 7,975*l.* No doubt, however, the actual trade continued to be much greater than it would appear to have been from these figures : considerable quantities of British manufactured goods, in particular, are known to have throughout the war constantly found their way into the dominions of France, in violation and defiance, for the greater part, of the laws of both countries.

Flanders, or the Netherlands, had been overrun by France, and wrested from the possession of the house of Austria, before the war with England began ; yet for some years our trade with the Flemings still continues to make a large figure in the annual official accounts. Our imports from Flanders, which in 1792 had amounted to 132,289*l.*, are still set down in 1793 at 120,180*l.*, and in 1794 at 76,820*l.*; and our exports thither, which in 1792 had been 1,031,092*l.*, only fell to 776,189*l.* in 1793, and to 671,882*l.* in 1794. Up to this time the Netherlands appear to have been still regarded by the English government as part of the dominions of our ally, the emperor ; and the customary amount of the exports and imports was only reduced by the French occupation of the country, and perhaps its still unsettled or uneasy state under its new masters. In 1795, however, the trade with Flanders, having been generally prohibited and declared illegal, disappears from the inspector-general's returns as completely as the trade with France : the imports for that year are set down at only 4,287*l.*, the exports at only 13,508*l.* In 1796 the imports were 7,067*l.*, the exports 65,054*l.* This slight improvement, which was maintained and extended in subsequent years, is to be attributed to a proclamation by the king in council, which was issued in the beginning of September in that year, permitting all kinds of British and foreign merchandize, except military and naval stores, to be exported from Great Britain in vessels belonging to any friendly power, to the Netherlands, and also to Holland and any part of Italy. "The Dutch government," Macpherson states, "considering this indulgence as a scheme for *draining* their country of its ready money, issued a

counter-proclamation, in the strongest terms enjoining their countrymen not to engage in such a trade, and strictly prohibiting the entry of British goods in their ports. They also required the French republic to adopt a similar resolution. But the French, though they had already prohibited the importation of British manufactures, finding it convenient to wink at a clandestine importation of them, were unwilling to follow the example of their allies in enforcing a strict adherence to a line of conduct, which, it is said, they themselves recommended to them. At last, on the Dutch threatening to withdraw their prohibition, the French government not only prohibited the importation of British merchandize, but also ordered that all British goods which were already in the country should be exported, and that all persons attempting to evade the prohibition should be stigmatized in the public papers as brokers of England and destroyers of French industry."* The effect of this prohibition, which had been for some time threatened or apprehended, although it was not issued till the 2nd of November, 1796, may be partly seen in the insignificant amount as just stated, of our exports to France in that year.

The first foreign state, after France, our commercial intercourse with which was in like manner all but annihilated by the war, was Holland, which was conquered by the French in the early part of the year 1795. In 1792, the official value of our imports from Holland had been 801,534*l.*, that of our exports thither, 1,516,449*l.* In 1793 the imports are set down at 806,305*l.*, the exports at 1,616,782*l.*; and in 1794 the imports had increased to 1,013,351*l.*, the exports to 1,640,915*l.* But in 1795 the imports were only 119,586*l.*, the exports only 111,115*l.* In 1796, however, the imports, according to the official account, had risen again to 309,938*l.*, and the exports to 516,267*l.*

In the course of the same year 1795, France, on the 5th of April, concluded a treaty of peace and alliance with Prussia, and on the 23rd of July, a similar treaty

* Annals of Commerce, iv. 380.

with Spain, which latter power, on the 5th of October, 1796, further declared war against England. On the 1st of March, 1795, also, the Duke of Tuscany had proclaimed his secession from the coalition against the French republic ; in the summer of the same year the Landgrave of Hesse-Cassel had made peace with France ; and in the course of 1796 the King of Sardinia, the Duke of Parma, the Duke of Modena, the Pope, the King of Naples, and all the other prinees and states of Italy, as well as some of those of Germany, had been forced to follow these examples. "The French government," observes Macpherson, "in their treaties with all those powers stipulated the most favourable terms for the commerce of France ; and they expressly insisted on an exclusion of British vessels from their ports as the condition of their pacification with some of them. As they rightly considered the British commerce as the feeder and support of the war, they took possession of the port of Leghorn, the capital station of the British trade in the Mediterranean sea, and seized all the British property found in it. The ports of all the continent of Europe were now shut against the admission of British merchandize by authority of their sovereigns, except the British port of Gibraltar, those of Turkey, Portugal, Germany, and the three northern powers."*

On the other hand, in the course of these first four years of the war, various acquisitions were made by Great Britain beyond the boundaries of Europe. In 1793 we took from the French the island of Tebago in the West Indies (15th April), and Pondicherry, Chandernagore, and all their other settlements in the East Indies. In March and April, 1794, the French West India islands of Martinique, St. Lucie, and Guadaloupe, with its dependencies, surrendered to Sir John Jervis and Sir Charles Grey ; and, though Guadaloupe was retaken by the French in December following, and St. Lucie in July, 1795, the latter was recovered in May, 1796. From the Dutch, again, we took Malacca, Ceylon, and the Cape

* *Annals of Commerce*, iv. 381.

of Good Hope, in the latter part of 1795, and Amboyna and Demerara in the spring of the year following. Within Europe, also, we acquired, in June, 1794, the sovereignty of Corsica, which we held till the beginning of the year 1797. These changes ought to be kept in mind in reviewing the progress of our foreign trade for the first four years after the commencement of the war.

By comparing the account of imports and exports for the year 1796 with that of 1792, it appears that, in addition to France, Holland, and Flanders, already mentioned, the only foreign countries our trade with which suffered any diminution during this interval were the following :—

ITALY (exclusive of Venice) :—from which the imports were 1,004,288*l.* in 1792, and only 299,796*l.* in 1796 ; and to which the exports were 946,119*l.* in 1792, and 747,969*l.* in 1796.

SPAIN :—the imports from which were 897,839*l.* in 1792, and 809,880*l.* in 1796 ; the exports to which were 794,101*l.* in 1792, and 546,125*l.* in 1796.

PORTUGAL AND MADEIRA :—from which the imports were 977,819*l.* in 1792, and 677,772*l.* in 1796 ; and the exports to which were 754,622*l.* in 1792, and 876,000*l.* in 1796.

TURKEY AND EGYPT :—from which the imports were 290,599*l.* in 1792, and 150,182*l.* in 1796 ; and the exports to which were 273,785*l.* in 1792, and 155,510*l.* in 1796.

AFRICA (including Sierra Leone and the Cape of Good Hope) :—the imports from which were 82,912*l.* in 1792, and 120,396*l.* in 1796 ; but the exports to which were 1,367,918*l.* in 1792, and only 614,307*l.* in 1796.

In none of these cases, however, was the decrease of any considerable amount, except only in the imports from Italy and the exports to Africa ; and, although our trade with Portugal, Turkey, and Africa may have been depressed by the state of things arising out of the war, we were in no degree shut out by the war from our customary intercourse with those parts of the world.

There was, indeed, likewise some slight falling off in the following branches of the trade carried on between

Great Britain and the other portions or dependencies of the empire :—

BRITISH AMERICA :—from which the imports were 255,797*l.* in 1792, and 268,776*l.* in 1796 ; but to which the exports were 1,119,991*l.* in 1792, and only 1,017,620*l.* in 1796.

GIBRALTAR (with the Straits) :—the imports from which were 13,153*l.* in 1792, and 28,593*l.* in 1796 ; but the exports to which were 197,224*l.* in 1792, and only 141,936*l.* in 1796.

ISLE OF MAN :—from which the imports were 27,342*l.* in 1792, and 31,310*l.* in 1796 ; but the exports to which were 37,527*l.* in 1792, and only 36,446*l.* in 1796.

But all this—the nearly entire loss of the trade with France and the Netherlands, the great diminution of that with Holland and that with Italy, the decrease in that with Spain, and the more considerable falling off in that with Africa, the insignificant decline in that with Portugal and that with Turkey, and the other still more trifling differences, of a merely accidental or temporary kind, which turn up against 1796 on a comparison of the two years—is much more than counterbalanced by the gain in the following cases :—

UNITED STATES OF AMERICA :—imports from, 1,038,706*l.* in 1792, 2,080,970*l.* in 1796 ; exports to, 4,271,418*l.* in 1792, 6,054,286*l.* in 1796.

RUSSIA :—imports from, 1,708,670*l.* in 1792, 2,110,083*l.* in 1796 ; exports to, 800,761*l.* in 1792, 766,896*l.* in 1796.

GERMANY :—imports from, 650,436*l.* in 1792, 2,082,275*l.* in 1796 ; exports to, 2,139,110*l.* in 1792, 8,173,989*l.* in 1796.

PRUSSIA AND POLAND :—imports from, 603,933*l.* in 1792, 1,304,386*l.* in 1796 ; exports to, 167,036*l.* in 1792, 596,379*l.* in 1796.

DENMARK AND NORWAY :—imports from, 186,648*l.* in 1792, 243,928*l.* in 1796 ; exports to, 312,720*l.* in 1792, 509,783*l.* in 1796.

SWEDEN :—imports from, 338,689*l.* in 1792, 347,338*l.* in 1796 ; exports to, 118,399*l.* in 1792, 121,512*l.* in 1796.

VENICE :—imports from, 65,331*l.* in 1792, 75,257*l.* in 1796 ; exports to, 17,112*l.* in 1792, 25,882*l.* in 1796.

CANARIES :—imports from, 10,222*l.* in 1792, 15,751*l.* in 1796 ; exports to, 17,277*l.* in 1792, 16,724*l.* in 1796.

FOREIGN WEST INDIES :—imports from, 280,484*l.* in 1702, 356,461*l.* in 1796 ; exports to, 106,628*l.* in 1792, 107,328*l.* in 1796.

BRITISH WEST INDIES :—imports from, 4,128,047*l.* in 1792, 4,541,217*l.* in 1796 ; exports to, 2,784,310*l.* in 1792, 3,954,816*l.* in 1796.

EAST INDIES and other parts of Asia :—imports from, 2,701,433*l.* in 1792, 3,372,689*l.* in 1796 ; exports to, 2,425,947*l.* in 1792, 2,358,707*l.* in 1796.

NEW HOLLAND and Southern Whale Fishery :—imports from, 114*l.* in 1792, 0*l.* in 1796 ; exports to, 11,940*l.* in 1792, 18,669*l.* in 1796.

GREENLAND and Northern Whale Fishery :—imports from, 63,777*l.* in 1792, 106,867*l.* in 1796 ; exports to, 695*l.* in 1792, 358*l.* in 1796.

IRELAND :—imports from, 2,622,732*l.* in 1792, 2,764,877*l.* in 1796 ; exports to, 2,372,866*l.* in 1792, 2,897,069*l.* in 1796.

GUERNSEY and other Channel Islands :—imports from, 58,852*l.* in 1792, 228,979*l.* in 1796 ; exports to, 92,139*l.* in 1792, 196,631*l.*, in 1796.

In some of these instances it is easy to see that the increase was partly the consequence of the stoppage or diminution of the trade with some other country. Thus, no doubt, the commerce which had formerly been carried on directly with Holland, the Netherlands, and Italy, was now in part carried on indirectly through Germany and Prussia. In other cases a freer intercourse than formerly had been promoted, or sought to be promoted, by special arrangements or treaties of commerce.

A commercial treaty, which had been concluded with Russia in 1766, after having been allowed by the Russian government to expire, was renewed for six years in 1793 ; but no sooner had this been done than an imperial ukase was issued (on the 8th of April) absolutely prohibiting the importation of many of the principal articles of British manufacture, such as wrought iron of all sorts,

wrought copper, gilt and plated ware, watches, coaches, striped and flowered casimirs, spagnolettes, and pluses, gauzes, and all ribands of more than one colour; and this was followed (on the 13th of December) by the prohibition of all other striped or woollen goods. "The consequence of these edicts," says Macpherson, "was, that many of the Russian merchants were reduced to bankruptcy, or obliged to return the goods they had purchased, instead of making the stipulated payment, to the importers, who in vain applied to the empress to restore the duties they had paid for the right of selling the goods in her dominions; so that prodigiously heavy losses fell upon the British merchants, the very best customers of Russia, and upon the British manufacturers, who had put goods suitable for the Russian market in hand in a dependence on receiving the customary orders for them. It is difficult to account for this conduct of the wise and magnanimous Catherine. She could not intend to depress the British manufactures in favour of those of France; for she had already cut off all communication with that country; and, if she proposed by the prohibition of such goods to encourage or push forward the manufacture of such articles in her own dominions, the measure was at least premature."* At this time more than half of the entire foreign trade of Russia was with Great Britain. Of 890 foreign (besides 48 Russian) vessels which arrived at St. Petersburgh in 1793, no fewer than 536 were British, as were 542 of 877 which in the same year cleared outwards from that port. Although, however, the prohibitory regulations of the government of Russia appear to have for a time checked or somewhat diminished the importation of British manufactures into that empire, the trade between the two countries in Russian produce, as we have seen, went on increasing, and giving every year more employment to British shipping. And at last, in February, 1797, a new commercial treaty was concluded between the two countries, to last till 1807.

But the most important treaty of commerce the account of which belongs to the space of time now under review

* *Annals of Commerce*, iv. 286.

was that concluded with the United States of America. In the beginning of November, 1793, with the view of preventing the importation by the French of the produce of their West India islands, which, after the commencement of the war, was managed by the produce being first sent to the continent of America, and thence conveyed to France in the neutral vessels of the United States, an order of the king in council was issued for seizing and detaining all vessels carrying either any produce of the French colonies, or provisions or other supplies for the use of those colonies. It is said that so many as 600 American vessels were seized or detained in English ports, under this order, between the 6th of November, 1793, and the 28th of March following; and it spread the greatest alarm among the merchants connected with the United States, who declared their apprehension that it would occasion an immediate rupture with that country. The American government, also, soon took up the matter, and after having, on the 26th of March, 1794, laid an embargo for thirty days on all British vessels in their ports, dispatched Mr. Jay, as envoy extraordinary to the Court of St. James's, to demand redress. Upon this the order in council was revoked; and negotiations were entered upon, in a conciliatory spirit, which ended in the conclusion of a treaty of amity, commerce, and navigation between the two countries. Of this treaty the following were the most material articles:—The river Mississippi (in conformity with a similar arrangement in the treaty of peace of 1783) was declared to be entirely open to the subjects of both governments, who might equally use all the landing-places on its east side. Provision was made for ascertaining and settling, by a joint survey and amicable negotiation, the northern boundary of the territory of the United States, between the Lake of the Woods and the river Mississippi (the still undetermined division of the Oregon country). It was also agreed that commissioners should be appointed on both sides to determine which of the branches of the river St. Croix ought to be fixed as the boundary between the British provinces in the north-east and the United States (the question, or equivalent of the question, that has only to

recently been settled). The 10th article ran as follows : —“ Neither the debts due from individuals of the one nation to individuals of the other, nor shares nor moneys which they may have in the public funds or in the public or private banks, shall ever, in any event of war or national differences, be sequestered or confiscated ; it being unjust and impolitic that debts and engagements, contracted and made by individuals having confidence in each other, should ever be destroyed or impaired by national authority, on account of national differences and discontents.” A reciprocal and entirely perfect liberty of navigation and commerce being mutually agreed upon, it was arranged that during the continuance of the war, and for two years after its termination, the citizens of the United States might carry, in vessels of their own not exceeding the burthen of 70 tons, to the British West Indies, all such produce or manufactures of the United States as could be lawfully carried from the States to the Islands by British vessels ; and also that the American vessels might carry back from the Islands to the States all such West Indian produce as British vessels might carry to the same quarter ; the same duties being levied by each government upon the ships of the one country as upon those of the other engaged in this trade. The United States, however, engaged to prohibit the carriage, in American vessels, of molasses, sugar, coffee, cacao, or cotton (the produce of the British West Indies, it must, apparently, be understood, although it is not so expressed), either from the Islands or from the United States to any other part of the world. The liberty of trading in the ports of the British territories in the East Indies was granted to American vessels, the government of the United States engaging that such vessels should carry the goods brought away by them from India to no part of the world but their own ports in America. By the 15th article it was agreed that no higher duties should be charged in the ports of either country upon vessels belonging to the other than were paid by the like vessels or merchandize of all other nations. “ Nor,” continued the article, “ shall any prohibition be imposed upon the

exportation or importation of any articles to or from the territories of the two parties respectively which shall not equally extend to all other nations. But the British government reserves to itself the right of imposing on American vessels entering into the British ports in Europe a tonnage-duty equal to that which shall be payable by British vessels in the ports of America; and also such duty as may be adequate to countervail the difference of duty now payable on the importation of European and Asiatic goods when imported into the United States in British or in American vessels." Both parties further agreed to treat for a more exact equalization of duties. If a vessel should be taken or detained on suspicion of having enemy's property on board, or of carrying to an enemy any contraband articles, it was stipulated that only the illegal portion of the cargo should be condemned and made prize of. By the 21st article the two governments bound themselves not to permit their subjects or citizens to accept commissions from the enemies of the other, nor to permit such enemies to enlist any of their subjects or citizens into the military service; any subject or citizen found acting contrary to this article being made punishable as a pirate. And by subsequent articles they agreed that neither would permit privateers commissioned by the enemies of the other either to arm or to trade in their ports; or would allow a vessel belonging to the other to be taken within any of its bays, or within cannon-shot of its coasts. In case of a rupture between the two countries, the subjects or citizens of the one residing in the dominions of the other were to have the privilege of remaining and continuing their trade so long as they committed no offence against the laws; and, even if their conduct should induce the government to order them to depart from the country, they were to be allowed twelve months to remove their families and effects. Each party, by the 27th article, agreed to deliver up to justice all fugitives charged with murder or forgery committed within the jurisdiction of the other. Other articles provided for the settlement, by commissioners appointed by the two governments, of various claims made by the one

against the other, arising out of the events of the war ; especially the claims of the United States on account of damages their citizens were alleged to have sustained by irregular and illegal captures or condemnations of their vessels and property by British cruisers, and those made by subjects of Great Britain, who complained that their vessels had been taken within the jurisdiction of the United States, or by vessels originally armed in the ports of that country. The revocation of the order in council of November, 1793, had, before the commencement of the negotiations, removed a principal source of complaint on the part of the Americans ; but nothing was settled by the treaty as to other matters which had been the subjects of remonstrance by the government of the United States : among others, the standing provocation and cause of after-quarrel, the asserted impressment of American seamen by British ships of war.

This treaty, which was signed by Lord Grenville and Mr. Jay on the 19th of November, 1794, " was very far," says Macpherson, " from being satisfactory to the people of the United States, who complained that their trade with the British West Indies would be so hampered with the restrictions of it that it would never be of any advantage to them. They also observed that the chief points in dispute between the two countries were still as far from being decided as ever. On the other hand, it was remarked on this side of the water that the article restricting the trade of the United States with the British West Indies to vessels not exceeding seventy tons was equivalent to an act for creating a nursery of seamen for America."* This last objection was founded on the notion that small vessels require a considerably greater number of men than large ones in proportion to the quantity of goods carried by them. Although ratifications of the treaty by the two governments were exchanged on the 25th of October, 1795, it was not ratified by the American House of Representatives till the 30th of April, 1796 ; nor was the act for carry-

* *Annals of Commerce*, iv. 320.

ing its provisions into full effect passed by the British parliament till the 4th of July, 1797.

The suspension of cash payments by the Bank of England, in February, 1797, whatever may have been the extent to which it affected prices in the home market, makes as marked an epoch in the history of our commerce as it does in that of the national finances. From papers which were laid before parliament, it appears that the first formal intimation of a pressure, or apprehended pressure, was made by the Bank to government in the beginning of 1795. A resolution of the directors, on the 15th of January in that year, expressed their determination not in future to allow the sum to be advanced at any time upon treasury bills to exceed 500,000*l.*, alleging as a reason the uneasiness they felt at the heavy amount of the loans then about to be raised, 6,000,000*l.* (the actual sum was 4,600,000*l.*) for a foreign power (the emperor), besides 18,000,000*l.* for ourselves. On the 16th of April we find them reiterating this determination, and at the same time complaining that their actual advances were still allowed to stand at between 1,500,000*l.* and 2,000,000*l.*, notwithstanding a promise of the chancellor of the exchequer three months before that the excess over 500,000*l.* should certainly be paid off after the receipt of the first payment on the new loan. All their applications remaining unattended to, on the 30th of July they passed a resolution threatening to give orders to the cashiers to refuse payment of all treasury bills whenever the advance should amount to the limit they had fixed. A few days after this (on the 6th of August) came an application from Pitt for a further accommodation (it appears to have been to the extent of 2,500,000*l.*) on the security of the growing surplus of the consolidated fund: this the directors declined taking into consideration till the minister should have given them full satisfaction on the subject of the advances on treasury bills, "which," remarks the resolution, "is not even touched upon in his letter." The loan was eventually granted only on Pitt's assurance that he would take care the conditions insisted upon by the Bank,

including the reduction of the advances on bills to 500,000*l.* by the end of November, should be punctually complied with. The arrangement was made, as the directors remind him in a subsequent communication, dated the 8th of October, "with extreme reluctance on their part, on his pressing solicitations and statement that serious embarrassments would arise to the public service if the Bank refused." In this communication the directors for the first time enter upon a full exposition of the grounds of their apprehensions. They mention "the very large and continued drain of bullion and specie which the Bank has lately experienced, arising from the effects of the loan to the emperor and other subsidies," and "the prospect of the demand for gold not appearing likely soon to cease;" and then they say, "In addition to the above causes, it may be proper to state that large sums are likely soon to be called for by the claimants of the cargoes and freights of the neutral ships taken and about to be reimbursed; many of whom, as they [the directors] are credibly informed, are instructed by their owners and proprietors to take back their return in specie or bullion. The present price of gold being from 4*l.* 3*s.* to 4*l.* 4*s.* per ounce, and our guineas being to be purchased at 3*l.* 17*s.* 10*d.*, clearly demonstrates the grounds of our fears." Matters continued in the same state for the rest of this year; the drain of specie went on; and on the 12th of December the advances by the Bank on the bills drawn by the treasury amounted to 2,670,000*l.* At a meeting of the directors on the 28th of January, 1796, when it was stated that a notice had come from the Treasury, intimating that bills to the amount of 201,000*l.* would be presented for payment at the Bank on the 3rd February, it was resolved unanimously "that the governor do give directions to the cashiers not to advance any money for the payment of these bills, nor to discharge any part of the same, unless money shall be sent down for that purpose." Pitt was accordingly obliged to provide the money. After this the governor and other directors had repeated interviews with Pitt. At one of these conferences, on the 5th of February, we are told

"Mr. Pitt read some extracts of letters from the British resident and others at Hamburg, which mentioned that large quantities of English guineas were imported thither by the packets from Yarmouth; and one mentioned that the guineas were melted down on their arrival there." Pitt observed that attention should be paid to this matter at the outports. The amount advanced by the Bank to the Treasury, however, now underwent some reduction: on the 14th of June, 1796, it is stated at 1,232,649*l.* Pitt having, a few days after this, again addressed the directors in the most importunate terms, and wrung from them a further advance of 800,000*l.*, and also an engagement (from which they at first shrank in utter dismay) to let him have as much more by the end of the following month, they accompanied their most reluctant acquiescence in the last of these demands, on the 28th of July, with a memorial, in which they said that they thought they should be wanting in their duty if they did not take the occasion of making a "most serious and solemn remonstrance, which, for the satisfaction of their court, they desire may be laid before his majesty's cabinet;" adding that, by what they had consented to do, they rendered themselves totally incapable of granting any further assistance to government during the remainder of the year, and unable even to make the usual advances on the land and malt-tax bills for the ensuing year, should those bills be passed before Christmas. On the 3rd of November, nevertheless, they agreed, at Pitt's request, to advance him 2,750,000*l.* on the land and malt taxes, on condition that their advances on the treasury bills, now amounting to 1,513,845*l.*, should be paid thereout. Pitt seems to have got the money, but not to have repaid the advances; for on the 1st of February, 1797, we find the directors again representing, in a very uncomfortable tone, that the said advances now amounted to 1,554,635*l.*, and would in a few days be augmented to 1,819,818*l.* But now came, in addition to all other causes of alarm, the proposal of a loan of 1,500,000*l.* to Ireland. On the 10th of February the directors, taking this threatening certainty, as they describe it, into their next

serious consideration, and looking to the evils which would probably follow on such a measure to their establishment, “ by the sending over to that country a great part of the sum in specie,” resolved to apply to the minister for the repayment, or at least considerable reduction, of the debt due by government to the Bank, as the only means of defence they could devise against the mischiefs they dreaded from this Irish loan. The entire sum owing them by the government they made to be 7,186,445*l.*, besides about 400,000*l.* arrears of interest: the items being—arrears of advances on malt and land tax for 1794, 1795, and 1796, 3,322,000*l.*; advances on exchequer bills, 2,291,800*l.*; and advances on treasury bills, 1,674,645*l.* The money for Ireland was eventually found by increasing the loan to be raised for Great Britain from 18,000,000*l.* to 14,500,000*l.* But no sooner had this been settled than another black and fast-spreading cloud appeared in the sky to raise the alarm of the directors to a higher pitch than ever. A resolution, or minute, of a meeting of the court on the 21st of February states the great uneasiness inspired by the large and constant decrease of the cash in the coffers of the Bank; and expresses the conviction impressed upon the court, “ by the constant calls of the bankers from all parts of the town for cash, that there must be some extraordinary reasons for this drain, arising probably from the alarm of an expected invasion.” It was resolved to send a deputation to the chancellor of the exchequer, to ask him that he would, “ if possible and proper, strike out some means of alleviating the public alarm, and stopping this apparent disposition in people’s minds for having a large deposit of cash in their houses.” Pitt said he could not think there was any good ground for the apprehension of an invasion, which had spread so generally—although he “ could not answer that no partial attack on this country would be made by such a mad and desperate enemy as we had to deal with;” and he advised the deputation to endeavour to obtain a supply of gold from abroad, which they told him they would if they could, having already *had the matter under consideration.* Orders were *a*

cordingly sent to Hamburg for the purchase of gold. The drain, however, still continued, or increased; and on the 24th a deputation from the court of directors again sought an interview with the minister, at which, laying before him the state of things, and their alarm for the safety of the house, they asked him, "how far he thought the Bank might venture to go on paying cash, and when he would think it necessary to interfere before our cash was so reduced as might be detrimental to the immediate service of the state." From an account afterwards printed, it appears that the stock of cash and bullion in possession of the Bank, which had been 8,608,000*l.* in March 1794, had declined to 7,940,000*l.* in March 1795, to 2,972,000*l.* in March 1796, to 2,508,000*l.* in December 1796, and was now, on Saturday the 25th of February, 1797, reduced to 1,272,000*l.* In this critical state of affairs a dispatch was sent to the king, requesting him to come immediately to town to be present at a privy council, which was accordingly held on the next day, Sunday the 26th, at St. James's; and then, after an interview with the governor and other directors of the Bank in Downing-street, at which there is said to have been a warm discussion, the leading members of the administration, namely, the lord chancellor (Loughborough), the lord president (Earl of Chatham), the Duke of Portland (secretary of state for the home department), the Marquess Cornwallis (master-general of the ordnance), Earl Spencer (first lord of the admiralty), the Earl of Liverpool (chancellor of the duchy of Lancaster), Lord Grenville (foreign secretary), and the chancellor of the exchequer (Pitt), met again and drew up a minute, declaring that, upon the representations of the chancellor of the exchequer, as to the effects of the unusual demand for specie that had been made upon the metropolis, "in consequence of ill-founded or exaggerated alarms in different parts of the country," it was the unanimous opinion of the board that it was indispensably necessary for the public service that the directors of the Bank of England should forbear issuing any cash in payment, until the sense of parliament could be taken on that subject, "and the proper mea-

sures adopted thereupon for maintaining the means of circulation, and supporting the public and commercial credit of the kingdom at this important conjuncture." It was ordered that a copy of the minute should be transmitted to the directors ; "and they are hereby required," it was added, "on the grounds of the exigency of the case, to conform themselves thereto, until the sense of parliament can be taken as aforesaid." The order of council was published by the directors on Monday morning, accompanied by a notice of their own, in which they stated that the general concerns of the Bank were in the most affluent and flourishing condition, and were such as to preclude every doubt as to the security of its notes ; and thus, in one night, all people found their money converted into leaves of paper, intrinsically of no more value than the leaves into which the magic coins, that glittered so brightly when deposited in the chest, are when next inspected discovered to have withered away, in the Eastern tale.

For all practical purposes, however, the value of the now inconvertible bank-notes underwent at first very little, if any, change. "The actual arrival," says Macpherson, "of an event, which, by all persons who had ever contemplated a probability of its happening, had been dreaded as the death-blow to the commercial prosperity of the country, produced considerable alarm ; but it was infinitely short of what might have been expected." Now that the bold step had been ventured upon, the most spirited and energetic measures were taken to sustain public credit under so great a shock. The principal merchants and bankers of London immediately assembled at the Mansion House, and, under the presidency of the Lord Mayor, resolved unanimously that they would readily receive bank-notes in all payments to be made to them, and would use their utmost endeavours to make all their own payments in the same manner. This resolution was signed in a few days by above three thousand merchants, bankers, and other persons engaged in trade. On the following day a similar paper was signed and published by the lords of privy council. "And in a few

days," it is stated, "all transactions of every kind went on as if nothing had happened ; and people in general did not perceive, at least not immediately, that there was any difference between bank-notes, not convertible into money of solid gold and silver, and that money itself." * Bills were immediately brought into parliament, and were carried expeditiously through both Houses, authorizing the Bank of England to issue promissory notes payable to the bearer for sums under five pounds, and suspending the act of 1775, against the circulation of notes under the value of twenty shillings in England, and also that of 1765, which prohibited such notes in Scotland. But, even before the proceeding had thus obtained the sanction of the legislature, the directors of the Bank of England had begun the issue of one and two pound notes, "which," says Macpherson, writing in 1805, "have continued ever since to be almost the only currency for making small payments in London and the neighbouring country." And he adds, "As a further substitute for British guineas, they also introduced into the circulation of this country a great quantity of Spanish dollars, which, with a miniature impression of his Britannic majesty's head stamped upon them, they issued at the price of 4s. 9d. They continued in circulation till the 31st of October, 1797, during which time prodigious numbers of dollars were imported into the country, and stamped so like those stamped for the Bank at the Mint, that they could scarcely ever be distinguished. At the time of calling them in, the directors of the Bank found it necessary, after their clerks had done all in their power to distinguish the counterfeit stamps from their own, to submit to the loss, and receive all stamped dollars indiscriminately at 4s. 9d. ; whereby, it was said, considerable sums were made by some unprincipled people, who had made a business of dealing in dollars." † The indignant historian does not seem to perceive that the Bank itself had been here carrying on precisely the same traffic which he reprobates as so unprincipled in other dealers—importing dollars to pass them

* Maepherson's Annals of Commerce, iv. 410.

† Ibid., iv. 415.

off for more than they cost or were worth—and that, in being thus obliged to take in a few more high-priced dollars than they had issued, they were only foiled at their own weapons. Some accommodation was also given by a new coinage of penny and twopenny pieces in copper. “They were executed,” says Macpherson, “by Messrs. Boulton and Watt, of Soho, near Birmingham, and have been admired for the elegance of the figure of Britannia, who has the olive-branch (the emblem of peace) in her right hand, as before, and in her left, instead of the hasta (or spear), she now wields Neptune’s trident, a ship under sail appearing at sea in the distance. The letters of the legend (or inscription) are not raised, as usual, but sunk into the surface of a border, which rises above that of the coin, in order to protect the figures from being worn away.”*

The parliamentary sanction of the order in council issued on the 26th of February was not obtained till the 3rd of May, when an act (the 37 Geo. III. c. 45) was passed, confirming whatever had been done by the governor and company of the Bank in pursuance of the said order, indemnifying them for the illegality of their refusal to give cash for their notes, declaring any suits brought against them on that account to be void, and of no effect; and also extending the suspension of cash payments to the 24th of June. A succession of subsequent statutes, however, continued the restriction throughout the present period; so that from this date an inconvertible paper-money remained the basis of the national currency.

But, as we have said, the natural effects of this change upon prices, and in other respects, do not appear to have been felt to any considerable extent for some time. It is supposed that the quantity of gold in circulation at the time of the suspension may have been about 22,000,000*l.* Of this amount probably not less than 5,000,000*l.* was hoarded, or withdrawn from the circulation without being sent out of the country; and there was still a subsisting currency of guineas, and other gold coins, which, al-

* Annals, iv. 415.

though it had been constantly diminishing, was estimated as being even at so late a date as 1811 not much less than 3,000,000*l.*; so that the entire amount of gold set free to augment the quantity of that commodity in the foreign market could not have exceeded 13,000,000*l.* or 14,000,000*l.* sterling.* The quantity of gold, coined and uncoined, in Europe, Asia, and America, was probably not much less than a hundred times this amount;† and therefore the value of money could only have been diminished (or, in other words, prices could only have been raised) abroad to the insignificant or nearly imperceptible extent of little more than one per cent., by the immediate and direct operation of this change in the system of the English currency. In England, again, it may be doubted if it really produced any rise of prices at all at first. For some years after the suspension of cash payments, the issues of the Bank were so limited that its paper does not appear to have undergone any depreciation whatever; nor down to 1810 did the average excess of the market above the mint price of gold rise to more than about 4 per cent. It has indeed been argued that the rise of prices occasioned by the substitution of a fictitious for a real currency is not to be measured by this depreciation, and that it was actually much greater than such an indication would make it; but this notion appears to rest on no intelligible grounds. It probably never would have been taken up had it not been that there did take place, in point of fact, some time after the suspension, a progressive rise of prices, affecting most of the articles of primary necessity, but occasioned by causes with which the issues of the Bank had nothing to do.

Mr. Tooke, in an historical review of the state of

* See 'A History of Prices, and of the State of the Circulation, from 1793 to 1837, by Thomas Tooke, Esq., F.R.S.' 3 vols. 8vo. Lond. 1838-1840. Vol. i. pp. 130, &c.

† The amount when he wrote, in 1831, is estimated by Mr. Jacob, 'On the Production and Consumption of the Precious Metals,' vol. ii. p. 347, at about 1,200,000,000*l.*

prices and of the circulation from 1793 to 1803, has conclusively established the following among other facts and deductions :—“That, in consequence of the two very deficient harvests of 1794 and 1795, a great rise of the prices of provisions took place in 1795 and 1796, coincidently with a remarkable contraction of the Bank circulation ; and that there was, coincidently with an enlargement of the circulation, a rapid fall of the prices of provisions, and a complete subsidence of them, at the close of 1798, to the level of what they had been at the commencement of 1793 ;” “That, while from 1796 to the close of 1798 the prices of provisions, and of European produce generally, were falling, the prices of all Transatlantic produce were rapidly rising ;” “That the great fall of the prices of corn, and of European produce generally, from 1796 to the close of 1798, took place coincidently with a progressively increasing government expenditure, defrayed chiefly by loans ;” “That the prices of provisions, which at the beginning of 1799 were as low as they had been on an average of some years anterior to 1793, advanced, in common with other articles of European produce, to an unprecedented height, as a necessary consequence of the two very deficient harvests of 1799 and 1800, combined with actual and apprehended obstructions to importation ;” “That, coincidently with the great rise in the prices of provisions, and of European produce in 1799 and 1800, a very great fall took place in all Transatlantic produce, thus negativing the inference of the operation of a common cause, such as that of mere increase of money.” Finally, Mr. Tooke has shown that, except in the case of articles constituting naval and military stores, not a trace can be found from 1793 to the peace of Amiens, of the operation of war-demand upon prices, any more than of that of depreciation of the value of the currency, “understanding, by that term, a rise of prices caused by an increase of money, and not by a relative scarcity of commodities.”*

The only qualification we should be disposed to offer to these views of Mr. Tooke would be to suggest that the

* History of Prices, i. 176-254.

coincidence of a rise in the prices of Transatlantic produce with a fall in the prices of provisions in the period from 1796 to 1799, and of a fall in the prices of Transatlantic produce with a rise in the prices of provisions in 1799 and 1800, may possibly have been in part occasioned by a cause to which we do not find that he anywhere adverts, namely, the greater amount of income in the one case, and the less in the other, left free for the purchase of articles that were not of first necessity. The prices of all other things appear to be governed, to a certain extent, by the price of provisions and of other absolute necessities. When provisions are scarce and dear, there is less money to be laid out on articles of luxury, the prices of which, accordingly, other things remaining the same, are depressed ; and the contrary when provisions are plentiful and cheap. The general facts brought out by Mr. Tooke's investigations, however, remain unaffected by this consideration ; and they are very material to be kept in recollection in looking at the progress of our foreign trade during the small portion of the present period that still remains to be gone over.

Our territorial acquisitions from the beginning of 1797 to the peace were principally the following :—In February, 1797, we took from Spain the important island of Trinidad. In the spring of 1799, the capture of Seringapatam and the conquest of Mysore made a considerable addition to our Indian empire. In the autumn of the same year we obtained possession of the Dutch colony of Surinam in South America. Early in 1800 we took from the French the island and fort of Goree, in Africa ; and in the latter part of the same year their recent conquest, Malta, fell into our hands, and also the Dutch West Indian island of Curacao.

The total official value of our imports, which in 1796, as we have seen, was 23,187,319*l.*, fell in 1797 to 21,013,956*l.* ; and that of our exports from 30,518,918*l.* to 28,917,010*l.* In 1798, however, the imports rose to 27,857,889*l.*, and the exports to 33,591,777*l.* ; in 1799, the imports were 26,837,432*l.*, the exports 35,991,329*l.* ; in 1800, the imports were 30,570,605*l.*, the exports 43,152,019*l.* On the whole, therefore, the imports had

increased in these four years very nearly 33 per cent., and the exports more than 41 per cent. The increase of the entire foreign trade was from 53,706,232*l.* to 73,722,624*l.*, or between 35 and 36 per cent.

We will now subjoin a view of the extent of our trade with the different parts of the world in the year 1800, as compared with the year 1796; adding under each country a notice of the principal articles imported from it and exported to it, collected from a more detailed statement which Macpherson gives as extracted by himself from the Custom-house registers, and which he says will be found to differ very much from the accounts commonly given.*

IRELAND:—The official value of the imports from Ireland had declined from 2,764,877*l.* in 1796, to 2,312,823*l.* in 1800; but that of the exports thither had increased from 2,897,069*l.* to 3,741,499*l.* The imports in 1800 consisted of cattle, hides, beef, pork, tobacco, 32,152,399 yards of linen, some linen and woollen yarn, a few potatoes, &c.; the exports, of coal (to the value of 360,000*l.*, mostly from Scotland), woollen, cotton, and silk manufactured goods, cotton yarn to the value of 80,458*l.*, leather, ironmongery and hardware, earthenware, 106,000 barrels of herrings (mostly from Scotland), bottles and window-glass, salt, cheese, &c.; together with rum, brandy, wine, sugar, tea, drugs, dye-stuffs, and numerous other articles of foreign and colonial produce.

ISLE OF MAN:—The imports, consisting of red and white herrings, Irish linen, and linen yarn, had increased from 31,310*l.* to 37,109*l.*; the exports, consisting of coals, flour, cottons and woollens, sugar, tea, rum, &c., from 36,446*l.* to 54,056*l.*

GUERNSEY and the other Channel Islands:—Imports had increased from 228,979*l.* to 238,007*l.*; exports, from 196,631*l.* to 210,272*l.* “Guernsey,” says Macpherson, “is a kind of storehouse for merchandize imported from foreign countries and lodged there, in order to save the advance of the duties, till they [the goods] are wanted; and hence the imports consist of all kinds of foreign goods,

* *Annals of Commerce*, iv. 537-546.

but chiefly Portugal, French, and Spanish wines, brandy, &c.; also some dye-stuffs and drugs; paving-stones; cyder; worsted stockings from Jersey, 5935 dozen pairs." Among the exports to these islands are enumerated 196 cows and oxen to Alderney, flour, 2007 tod's of wool to Jersey, provisions, cloths, and the other ordinary necessities, India piece-goods, German, Irish, and Russian linens, rum, geneva, &c.

GREENLAND, and the Northern Whale Fishery :—Imports, consisting of train and spermaceti oil, whalebone, and seal-skins, had increased from 106,867*l.* to 125,804*l.*; exports (rum, for ship stores), from 358*l.* to 761*l.*

NEW HOLLAND, and the Southern Whale Fishery :—Imports (same as from the Greenland seas, with a little wood and some birds) had increased from 0*l.* to 89,232*l.*; exports, consisting of brandy, geneva, and wine for ship stores, and of wrought iron, hardware, cloths, groceries, &c., from 18,669*l.* to 25,617*l.*

EAST INDIES, and other parts of Asia :—Imports had increased from 3,372,689*l.* to 4,942,241*l.*; exports from 2,358,707*l.* to 2,835,063*l.* The imports consisted of tea, indigo, sugar, coffee, books, canes, drugs, gums, oils, cochineal, China ink, galls, turmeric, seed-lack, ivory, fans, cane-mats, cinnamon, cloves, mace, nutmeg, pepper, Cayenne pepper, ginger, sago, rice, cassia; ebony, sandal, satin, and sapan woods; preserved fruits, mother of pearl, cowries, carnelian stones, saltpetre, arrack, Carmania and goats' wool, raw silk, calicoes and muslins, and many varieties of piece-goods for re-importation, the sale of them in Great Britain being prohibited. The exports comprehended most of the ordinary articles of consumption, whether necessities or luxuries; among other things, 14,836*l.* worth of books, a large amount of ship-chandlery of all kinds, for the building of vessels in India, some woollens, silks, and cottons, 8000 yards of British muslins, tin and other metals, coaches and chaises, French, Portugal, Rhenish, and Spanish wines, rum, brandy, and geneva.

GIBRALTAR, with the Straits :—Imports had increased from 28,593*l.* to 35,665*l.*; exports, from 141,986*l.* to 294,557*l.* The imports were currants, drugs, and dye-

stuffs from the Straits ; barilla, brimstone, quicksilver, cochineal, indigo, and other dye-stuffs, almonds, raisins, and other fruits, oil, Portugal, Spanish, Italian, Cyprus, and Madeira wines, some cotton, and 33,748 lbs. of Spanish wool from Gibraltar. Nothing was exported to the Straits ; but to Gibraltar were sent all the ordinary articles of consumption, the place itself producing nothing. Some trade was also carried on in 1800 with our recently acquired possessions of Minorca and Malta. The imports from Minorca, estimated at 13,500*l.*, consisted of barilla, lemons and oranges, with a little oil, thrown silk, cotton, and oil ; the exports thither, of a few woollen goods, some herrings, a small quantity of refined sugar, and several other such articles. From Malta there were no imports ; but the place figures in the table of exports for this year (1800) on the strength of a shipment to it of 28*l.* worth of bottled beer.

AFRICA, including Sierra Leone and the Cape of Good Hope :—Imports had declined from 120,396*l.* to 96,563*l.*; but exports had increased from 614,307*l.* to 1,099,656*l.* There were no imports from Sierra Leone ; those from the Cape consisted of some wine, cotton, and skins : those from the rest of Africa, of gums, camwood, ebony, redwood, ivory, a few ostrich feathers, and some skins. The exports were guns, to the number of 80,806, cutlasses, gunpowder, rum, brandy, geneva, and British spirits, beer, woollens, cottons, and linens, India piece-goods to a large amount, earthenware, glass, provisions, and a few other necessaries.

BRITISH AMERICA :—Imports had increased from 268,776*l.* to 393,696*l.*; exports had declined from 1,017,620*l.* to 975,986*l.* The imports consisted of skins, or furs, feathers, and castoreum, from Hudson's Bay ; a small quantity of fish, train-oil, and seal-skins from Newfoundland ; pearl-ashes, pot-ashes, wheat, flour, castoreum, train-oil, skins, masts, boards, and other lumber from Canada ; skins and lumber from New Brunswick ; tar and turpentine, skins, lumber, and pearl-ashes from Nova Scotia. The principal exports were guns, gunpowder, cordage, sailcloth, salt, copper, steel, wrought brass, wrought leather, cottons, silks, woollens, hats, babec

4,041,217l. to 5,805,787l. ; exports had increased from 3,954,816l. to 3,416,966l. The imports were coffee, chocolate, ginger, pimento, cotton, woods, mahogany, cedar, ebony, castor-oil, some other drugs, tamarinds, &c., and a quantity of tobacco, and other articles obtained from prizes. The exports consisted of all the other articles of manufactured goods, and of colonial produce.

FOREIGN WEST INDIES (including Demerara and the islands conquered from the French and Dutch) : — Imports had increased from 3,034,491l. ; exports, from 107,328l. to 1,100,000l. articles, both of import and export, were sent as in the trade with the British islands ; however, being sent out from England to St. Croix, St. Domingo, or St. Martin, unwrought copper, and vultures' feathers, from Buenos Ayres, to which also there was a small trade, and this small trade is probably included in Foreign West Indies in the official statement. In Honduras there were brought mahogany and other articles in 1800 to the value of 16,777l. ; and

and Spanish governments; and the war has not interrupted the trade. The cotton of that country is of the quality of the Upland cotton of Georgia, but much inferior to the Sea-island cotton of that state."* This was written in 1805.

UNITED STATES OF AMERICA :—Imports had increased from 2,080,970*l.* to 2,358,216*l.*; exports, from 6,054,238*l.* to 6,885,500*l.* The imports consisted of pearl-ashes, pot-ashes, flour, wheat, Indian corn and rye-meal, sassafras, shumack, ginseng, snake-root, sarsaparilla, spermaceti-oil, whalebone, turpentine and turpentine-oil, tar, pitch, and rosin, oak, fir, and other timber, staves and other lumber, hides and peltry, cochineal, indigo, fustic, logwood, red-wood, *lignum vitæ*, mahogany, bark, sugar, coffee, cotton, rice, and tobacco: the exports, of books and stationery, wrought brass, copper, iron, and silver, pewter, lead, steel, tin, tinned plates, coals, salt, earthenware, bottles, and glass; woollen, cotton, and silk manufactures; beaver, felt, and chip hats; thread, haberdashery; English, Scotch, and Irish linens; sailcloth, apothecaries' ware, wearing-apparel, copperas, painters' colours, guns, gunpowder, flints, watches, musical instruments, beer, grindstones, with drugs, dye-stuffs, cinnamon and other spices, India piece-goods, Russia and German linens, geneva, French, and other wines, and a few articles of grocery.

FRANCE :—Imports had increased from 14,655*l.* to 110,415*l.*; exports, from 7975*l.* to 1,325,419*l.* The imports in 1800 are stated to have consisted of books, maps, pictures, &c., mill-stones, verdigris, cochineal, valonia, 234 weys of salt for Scotland, seeds, brandy, starch, tallow, rye-meal, some wheat, barley, and other grains, 150 cwt. of bread, beef, pork, bacon, butter, and tanned ox, cow, and calf hides: the exports, of a small quantity of printed cotton and linen goods, sugar, coffee, cacao, tobacco, India piece-goods, cinnamon, cloves, pepper, pimento, ginger and other spices, cassia, lignea, rhubarb and other drugs, indigo, logwood, and other dye-stuffs.

FLANDERS :—Imports had increased from 7067*l.* to 34,656*l.*; exports, from 65,054*l.* to 868,826*l.* The im-

* *Annals of Commerce*, iv. 545.

ports consisted of tanned hides, seeds, and 371 tons of rags; the exports of refined sugar, some copperas, and numerous kinds of colonial and foreign produce, but in very small quantities.

HOLLAND :—Imports had increased from 309,933*l.* to 972,599*l.*; exports, from 516,267*l.* to 3,208,613*l.* The imports were books, maps, drawings, paintings, prints, corn, oak-bark, juniper-berries, flax, hemp, madder, flower-roots and trees to the value of 107*l.*, seeds, geneva, butter, cheese, bacon, potatoes, a few linens, and 61,000 tons of rags : the exports some cotton and woollen goods, train-oil, and a great variety of articles of foreign and colonial produce.

PORTUGAL AND MADEIRA :—Imports had increased from 677,772*l.* to 927,257*l.*; exports, from 876,000*l.* to 1,199,023*l.* The imports were from Madeira 494 tons of wine (besides much more brought home by circuitous routes), and from Portugal, 19,328 tons of Port wine, Madeira, French, and Spanish wines, 1,663,582 lbs. of Spanish wool, some cotton, 6000 dozen of goat-skins, other skins, Indian and other hides, almonds, figs, raisins, and other fruits, 83,518,701 lemons and oranges, annatto, orchil, argol, cochineal, Brazil-wood, indigo, madder, and other dye-stuffs, balsam capivi, ipecacuanha, gum arabic, gum Senegal, and other gums and drugs, brimstone, cork, and some wheat and flour, which Macpherson describes as “very unusual exports from Portugal.” Our exports to Portugal and Madeira comprised the usual articles of domestic, colonial, and foreign manufactures and produce, among which are mentioned 1021 cannon, 441*l.* worth of Irish linens, and 1584 quarters of wheat, as well as various other commodities, such as cottons, drugs, dye-stuffs, spices, &c., also enumerated among the imports.

TURKEY :—Imports had increased from 150,182*l.* to 199,773*l.*; exports, from 155,510*l.* to 166,804*l.* The imports were cotton and cotton yarn, raw silk, goats’ hair, mohair, goat-skins, carpets, copper, coccus Indicus, tragacanth, opium, senna, and other drugs, berries, galls, madder, valonia, and other dye-stuffs, box-wood, currants, figs, raisins, and other fruits ; the exports, lead, tin, iron, 110 cannon, and other wrought-iron goods, watches, some

cottons and woollens, India piece-goods, sugar, coffee, indigo, and other colonial produce.

RUSSIA :—Imports had increased from 2,110,083*l.* to 2,382,098*l.*; exports, from 766,896*l.* to 1,025,334*l.* The imports were 410,260 tons of tallow, pearl-ashes, pot-ashes, and weed-ashes, bristles, cordage, flax, and hemp, bar-iron, cast iron, 24 tons of wrought iron, linens, diapers, drilling and sheeting, pitch and tar, bread, bacon, beef, and tongues, lint-seed, bees'-wax, isinglass, rhubarb, and some other drugs, skins of hares, seals, and calves, timber, boards, and staves, 28 tons of rags, and some corn: the exports, alum, coals, slates, salt, sal-ammoniac, spelter, tin, watches, musical instruments, horses, herrings, woolen, cotton, and silk goods of all kinds, India calicoes and muslins, and other common articles of consumption.

GERMANY :—Imports had increased from 2,082,275*l.* to 2,352,197*l.*; exports, from 8,173,989*l.* to 12,664,591*l.* Our trade with Germany was therefore at once the greatest and the most rapidly growing branch of our foreign commerce. Our imports from this country in 1800 consisted of linen-yarn to the amount of 3,000,000 lbs., cotton, silk, wool, flax, hemp, linens, cambrics, canvas, lawns, holland, tabling, &c., goat, ox, and horse hair, 2378 lbs. of human hair, hides, chip and straw hats, 3002 tons of rags, some paper, goose-quills, timber, boards, &c., oak-bark, brimstone, books, maps, prints, pictures, 3195 wooden clocks, cork, bees'-wax, calf, bear, coney, goat, sheep, and seal-skins, oil of turpentine, verdigris, copperas, succus liquoritiae, gums, arsenic, antimony, and other drugs, hops, juniper-berries, seeds, wheat, barley, oats, peas, beans, rye, rye-meal, wheat-flour, butter, cheese, beef, pork, tongues, potatoes, brandy, geneva, and other spirits, Rhenish, Tokay, French, and Spanish wines. Our exports thither were equally numerous and various, comprising, of our domestic produce and manufactures, cotton goods to a large amount, cotton-yarn to the value of 365,945*l.*, woollens, silks, lead, pewter, tin, tinned plates (which half a century before, we used to import from Germany), wrought brass, copper, and iron, silver plate and plated ware, coals, earthenware,

glass, cabinet-ware, coaches, horses, watches, musical instruments, books and stationery, wearing apparel, tanned leather, wrought leather, gloves, haberdashery, hats, bark, train-oil, whalebone, painters' colours, copperas, oil of vitriol, sal-ammoniac, and other drugs, refined sugar, molasses, herrings, red and white, cod, oysters and the following articles of colonial and foreign merchandize:—mother-of-pearl, walking-canes, aloes, rhubarb, borax, camphor, cassia lignea, castoreum, jalap, and other drugs, guma Senegal and other gums, cochineal, indigo, annatto, Brazil wood, fustic, logwood, madder, and other dye-stuffs, mahogany, and other West India woods, ivory, cinnamon, cloves, pepper, ginger, and other spices, cacao, coffee, sugar, tea, sago, currants, turmeric, Indian hides, ox and cow hides, skins of deer, otter, bear, fox, mink, wolf, &c., horns, lint-seed oil and other oils, rum, brandy, arrack, French, Spanish, and other wines, tobacco, whalebone, cotton, cotton-yarn, India piece-goods, and a few Irish linens. Macpherson observes that much of the commerce of Germany was “for account of the nations involved in the war.”

PRUSSIA AND POLAND:—Imports had increased from 1,304,386*l.* to 1,733,945*l.*; exports, from 596,379*l.* to 842,853*l.* The imports consisted of pearl-ashes, weed-ashes, spruce-beer (1054 barrels from Prussia, 1093 barrels from Poland), wheat, barley, oats, peas, beans, rye, flax, hemp, linen, timber, boards, staves, &c., madder, bristles, mill-stones, wool, hides, goose-quills, cheese, lint-seed, and some skins; the exports, of iron, lead, tin, earthenware, woollens, cottons, and other ordinary articles of consumption.

DENMARK AND NORWAY:—Imports had fallen off from 243,928*l.* to 241,561*l.*, if so insignificant a difference can be so described; exports had increased from 509,783*l.* to 540,697*l.* The imports in 1800 were oak-bark, cordage, hides of horses and oxen, bar-iron, kelp, rock-moss, furs and peltry, tar, timber and boards, 34,666 lbs. of cotton, 10,000 lbs. of indigo, some salted beef, pork, and butter, and, in this year of scarcity, the unusual article of corn. The exports included lead, tin,

coals, glass, salt, cottons and woollens of all kinds, hats, Scotch linens, sugar, coffee, tobacco, and the other usual commodities.

CANARIES :—Imports, consisting in 1800 of barilla, copper, some drugs and gums, orchilla, 47 tons of Canary wine, and 553 tons of Spanish wine, were estimated at 48,536*l.*, whereas in 1796 the value put upon our imports from the Canary islands was only 15,751*l.*; which made the entire trade still greater in 1800 than in 1796, although in 1796 our exports thither were valued at 16,724*l.*, and in 1800 there were none.

The only parts of the world our trade with which, upon the whole, appears to have declined in the interval between these two years, were the following :—

SPAIN :—Imports had fallen from 809,880*l.* to 655,652*l.*; exports had fallen from 546,125*l.* to 3382*l.* Our imports from Spain in 1800 consisted of barilla, cork, black lead, succus liquoritiae, mahogany, shumack, 5,995,624 lbs. of Spanish wool, 10,517,750 lemons and oranges, figs, currants, chestnuts, hazel-nuts, walnuts, almonds, anise-seed, oil, brandy, beans, and some wheat; our direct exports thither were only some cinnamon and cacao.

ITALY (exclusive of Venice) :—Imports had increased from 299,796*l.* to 357,736*l.*; but exports had fallen from 747,969*l.* to 568,731*l.* The imports in 1800 were, books, drawings, &c.; barilla, brimstone, cork, cream of tartar, essence of lemons, manna, senna, and other drugs, juniper-berries, perfumed oil, argol, galls, madder, and other dye-stuffs, anchovies, almonds, figs, prunes, nuts, currants, raisins, &c., ordinary and salad oil, chip and straw hats, bugles (or glass beads), raw, thrown, and waste silk, lambs', goats', and kids' skins, 695 tons of rags, 439 cwt. of cheese, brandy, statuary to the value of 1368*l.*, marble, and cotton. The exports consisted of alum (a commodity with which in the middle ages Genoa used to supply all Europe), wrought brass, iron, and silver, plated ware, woollens of all sorts, cottons to a considerable amount, a few linens, earthenware, glass, hardware, tinned plates, dry cod, red and white herrings, 32,881 hogsheads of

pilchards, tanned and wrought leather, dye-stuffs, spiceries, cacao, coffee, sugar, foreign iron, India piece-goods, rum, tar, tobacco, whalebone, and foreign ox-gut. "What," exclaims Macpherson, "would the merchants of Italy in the middle ages have said to any person who would have ventured to predict that a country which they knew good for nothing but feeding sheep and cattle, and furnishing wool, hides, lead, and tin, should ever supply them with Oriental produce and manufactures, and many other comforts and luxuries of life!"

VENICE:—Imports had fallen off from 75,257*l.* to 54,028*l.*; exports, from 25,882*l.* to 17,798*l.* The imports and exports in the trade with Venice were of the same description as in that with the rest of Italy.

SWEDEN:—Imports had declined from 347,336*l.* to 309,279*l.*; exports, from 121,512*l.* to 78,839*l.* The imports in 1800 consisted of some corn and bread, 313 barrels of herrings, flax, bar, and cast iron, a very small quantity of wrought iron, rock-moss, pitch and tar, timber, boards, staves, &c.; the exports, of coals, lead, tin, painters' colours, cotton and woollen goods, sugar, coffee, tobacco, spices, drugs, dye-stuffs, East India calicoes, rum, and other spirits.

This account sufficiently demonstrates that the war, so far from destroying or diminishing our foreign trade, did not even check its expansion, nay, did not prevent it from enlarging and extending itself faster perhaps than it had ever done in a time of the profoundest tranquillity. It may be doubted if our trade would have been so great as it was in the year 1800 had the country been at peace for the whole of the preceding seventeen years, instead of having been engaged for nearly the latter half of that time in the most general and most costly war it had ever waged. In truth, after the recovery of our commercial system from the momentary shock occasioned by the commencement of hostilities with France, the new state of things proved, upon the whole, highly favourable to the extension of our trade. Difficulties were interposed in the way of our direct intercourse with some parts of the continent; but even to most of these interdicted quarters

manufactures still found their way in large quantities by circuitous routes, and we soon made ourselves so completely masters of the great highway of nations, the ocean, that our ships traversed it in all directions almost as freely as they had ever done in time of peace, while the flags of our rivals scarcely dared anywhere to show themselves, and our acquisitions of territory, besides, in the West Indies and elsewhere, opened to us several new and important markets. But the extension of our trade was, of course, also the extension of our manufactures, by which it was in great part fed and sustained. And herein, also, other countries, which experienced its actual ravages, were rendered by the war more dependent than ever upon this country, the only considerable seat of industry in Europe which it left unviolated and undisturbed.

The figures given in the above review of the progress of our trade with the different parts of the world are, as has been explained, the official values of the commodities imported and exported, or the values calculated according to the same unvarying rate or price of a certain quantity of each. The sums so obtained serve very well to indicate the comparative quantities of goods sent out of the country and brought into it at different times; but this method of calculation disregards altogether both differences of quality and fluctuations of price in whatever way arising, and it gives no view of the real value of the exports and imports in any particular year. Since 1798, however, it has been attempted in the official accounts to estimate this real value also. For that year we have only such an estimate of the value of the British merchandize exported; which is set down as having been actually worth 38,148,682*l.* instead of 19,672,503*l.*, as it stands registered according to the standard rates. In 1799 the real marketable value of the imports was, according to the report of the inspector-general, 49,002,170*l.*; of the exports of all kinds 50,290,190*l.* And in 1800 the real value of the imports is stated to have been 55,400,416*l.*; of the exports 55,830,843*l.* In all these years, too, the excess of the real over the official value was rendered less than it ought to have been by what the report of the

inspector-general calls "an old established error in rating coffee for exportation very much above its real value"—so much in fact as to make the official higher than the real value of the whole foreign merchandize exported. This may serve to explain a statement with regard to the exports of coffee noticed in a preceding page.

The total amount of the mercantile marine of the empire in 1800 is stated to have been 17,895 vessels of all sizes, measuring 1,855,879 tons, and navigated by 138,721 hands. Of these vessels 12,198 belonged to England, 2155 to Scotland, 1003 to Ireland, 2161 to the colonies, 130 to Guernsey and the other Channel Islands, and 238 to the Isle of Man. There entered inwards in this year 10,496 British vessels, measuring 1,379,807 tons, and 5512 foreign vessels, measuring 763,236 tons; and there cleared outwards 11,856 British vessels, measuring 1,444,271 tons, and 4893 foreign vessels, measuring 685,051 tons.* There were built and registered in the several ports of the British dominions in the course of this year 965 vessels, measuring in all 126,268 tons.

In 1801, the last year of the war and of the period under review, the 'Chronological Table' in Chalmers makes the total official value of the exports to be only 37,786,857*l.*; but the amounts given in this table for the two preceding years are greatly lower than those we have quoted above from the statements of the inspector-general (33,640,357*l.* instead of 35,991,329*l.* in 1799, and 38,120,120*l.* instead of 43,152,019*l.* in 1800); so that Chalmers has evidently applied some principle of reduction to these statements, at least as quoted by Macpherson. As both accounts agree in the values assigned to the exports from Scotland, it may be conjectured that the acknowledged error in the rating of exported coffee, which we have just noticed, is corrected or allowed for by Chalmers. The official value of the imports for 1801 would, according to this table, be 32,795,557*l.*; but this sum is deduced by subtracting what he calls the favourable balance of trade from the exports, so that it involves

* Macpherson, *Annals of Commerce*, iv. 585.

the same discrepancy that has been already explained. Other accounts differ from both Macpherson and Chalmers. Thus, in a table given in the article 'Great Britain,' in the 'Penny Cyclopædia' (vol. xi. p. 417), the total official value of the imports for 1801 is stated as 31,786,262*l.*; that of the exports as 35,264,650*l.* Mr. Macculloch, again, in a table in his 'Dictionary of Commerce' (second edition, p. 672), makes the official value of the imports for this year to have been only 28,257,781*l.*, and that of the exports 34,381,617*l.* The declared or real value of British and Irish produce and manufactures exported from Great Britain in 1801 is set down in the Cyclopædia at 39,730,659*l.*; by Mr. Macculloch at 36,929,007*l.* This may serve as a sample of the utter confusion in which the whole matter remains.*

The number of bankruptcies in each year, from 1794 to the end of the present period, seems to corroborate other facts in indicating a steady increase of trade throughout that space. The number was 812 in 1794, 718 in 1795, 747 in 1796, 869 in 1797, 729 in 1798, 599 in 1799, 740 in 1800, 893 in 1801.† Here we see the tendency to augmentation on the whole, but no instance of anything resembling the sudden expansion by which the number of bankruptcies, which was 628 in 1792, rose to be 1304 in the disastrous year following. The reduction of the number in 1798, and the two following years,

* As the table in Mr. Macculloch's Dictionary (also repeated in his Statistical Account of the British Empire, first edition, ii. 156) is stated to be founded upon official documents (namely, Parl. Paper, No. 243, sess. 1830, and Finance Accounts), we may add here the sums it gives for the years 1800 and 1799 (with which it commences), for comparison with those quoted in the text from Macpherson and Chalmers:—1799, official value of imports 25,122,203*l.*; of exports 27,317,087*l.*: 1800, official value of imports 24,066,700*l.*; of exports 29,556,637*l.* The declared or real value is only given for the exports of British and Irish produce and manufactures. The table in the 'Penny Cyclopædia,' for which no authorities are referred to, goes back only to the year 1801.

† Chalmers's Historical View, p. 240.

may be taken as sufficient evidence that even the licence accorded to the Bank to issue inconvertible paper gave at first no undue or dangerous impulse to speculation : if it had, the diminution of bankruptcies during these three years would, at least, have been succeeded by a much more than proportionate increase afterwards, which was not the case. The number in 1802 was only 853, and in 1803 no more than 906 ; a rate of increase not greater than might be looked for as the natural effect of the growth and enlargement of our trade. On the whole, therefore, any variation traceable in the number of the bankruptcies, during the ten years that followed 1793, probably represents this steady commercial progress much more than the operation of any other influencing cause—whether unsound or excessive speculation on the one hand, or the occasional occurrence of seasons of difficulty and depression, financial or general, on the other.

The progress of the post-office revenue has been stated in a preceding page up to the year 1792 inclusive. In 1793 the gross revenue was 652,868*l.*; the nett produce 397,086*l.* In 1795 the gross revenue was 745,238*l.*; the nett produce 414,548*l.* This year further restraints and limitations were placed upon franking, by the act 35 Geo. III. c. 53, and in 1796 the gross revenue rose to 811,539*l.*; the nett produce to 479,487*l.* Then an augmentation of the rates of postage was made by the act of 37 Geo. III. c. 18. Still the revenue went on steadily increasing ; its gross amount in 1800 being 1,083,950*l.*, its nett produce 720,981*l.*; and in 1801 its gross amount being 1,144,900*l.*, its nett produce 755,299*l.*, or not much less than four times what it was before the introduction of Mr. Palmer's improvements in 1784.*

Before the commencement of the present period the quantity of Bank of England paper in circulation at any one time, including both notes and post-bills, was usually under 7,000,000*l.* In 1786 it rose for the first time to above 8,000,000*l.*; and, according to the accounts made up

* Macpherson, *Annals of Commerce*, iv. 548. A table of the nett produce in Chalmers, *Historical View*, p. 281, gives somewhat lower amounts under each year, apparently from including only the English post-office.

to the 31st of August in each year, it continued from this date to be gradually augmented till in 1791 it attained to the amount of 11,672,820*l.* This increase, however, was certainly not more than in proportion to the increase of the commerce of the country. In the first years of the war the circulation of the Bank suffered some contraction; so that by the year 1796 it had fallen to 9,246,790*l.* Then came the exemption from cash payments; under which new state of things the issues of bank paper increased during the remaining years of the present period as follows: — 11,114,120*l.* in 1797; 12,180,610*l.* in 1798.; 13,389,490*l.* in 1799; 15,047,180*l.* in 1800; 14,556,110*l.* on the 31st of August, 1801. The dividends received by the proprietors of bank stock continued throughout the period to be 7 per cent., as they had been ever since 1788. In the year 1800, by the act 40 Geo. III. c. 28, the charter of the Bank was continued (from 1806) till twelve months' notice after the 1st of August, 1833; the Bank advancing to government the sum of 3,000,000*l.* without interest for six years. (a period subsequently prolonged till six months after the conclusion of the new war with France that broke out in 1803).

In 1793 the charter of the East India Company was renewed for twenty years, or till the 1st of March, 1814. The act passed for that purpose (the 33 Geo. III. c. 52), under the notion that the trade and territorial revenues of the company might henceforward be relied upon for the production of a clear annual revenue of at least full 1,200,000*l.*, directed that of this surplus 500,000*l.* a-year should be set aside for the reduction of the company's debt in India to 2,000,000*l.*; and that 500,000*l.* more should be annually paid into the exchequer to be appropriated for the public service as parliament should think fit to order. The anticipation of any such surplus revenue, however, proved entirely fallacious; and this contribution to the public expenses was only paid for one year. The act renewing the charter had been preceded the same year by another act (the 33 Geo. III. c. 47) authorizing the company to add another million to their capital; and,

as" the new stock was subscribed at 200*l.* per cent., it produced 2,000,000*l.* in money. This made the nominal capital of the company (or that upon which the dividends are paid) 6,000,000*l.*, at which it still continues.*

The act of 1793, which renewed the charter, also made provision for partially opening the trade with India to private individuals. Any British subject residing in any part of the king's European dominions was allowed to export to Bengal, Malabar, Coromandel, or Sumatra, but only in the company's ships, any article of the produce or manufacture of the British dominions in Europe, except military stores, ammunition, masts, spars, cordage, anchors, pitch, tar, and copper; and on the other hand liberty was given to the company's civil servants in India, and to the free merchants living in India under the company's protection, to ship in the company's ships, on their own account and risk, all kinds of India goods, except calicoes, dimities, muslins, and other piece-goods:—those they were not to ship without a licence from the company. It was directed that, for the purposes of this private trade, the company should in every year set apart at least 3000 tons of their shipping; the owners of the goods paying for their freight at the rate of 5*l.* outward, and 15*l.* homeward in time of peace, and at higher rates in time of war, if the company, with the approbation of the Board of Control, should see good to exact such.

↑ Scarcely any goods were sent out to India by the manufacturers of Great Britain under the act of 1793. "But the merchants residing in India," says Macpherson, "as

* Mr. Macculloch, in his Commercial Dictionary, second edition, art. 'East India Company,' p. 533, states that in 1796 leave was given to the company by parliament to add two millions to their capital stock by creating 20,000 new shares; and that, as these shares sold at the rate of 173*l.* each, they produced 3,460,000*l.* An act to the effect mentioned was passed in March, 1797, but it was never taken advantage of by the company. It seems to be confounded in this statement with the act of 1789, under which additional stock to the amount of one million was subscribed for at the rate of 174 per cent.

soon as they understood that a legalized extension of their trade was in the contemplation of the legislature, and without waiting to know the regulations of it, built a considerable number of ships, which they proposed to employ in the trade between India and England, though Lord Cornwallis, then governor-general, and Sir John Shore, his successor, both informed them that there could not be employment for their ships in the way they expected. In the year 1795, when seven of the largest of the company's ships were taken into his majesty's service, and the company at the same time ordered large quantities of rice to be brought from India, in order to afford relief to this country, then distressed by a scarcity of corn, twenty-seven of these India-built ships were taken into the company's service at the rate of 16*l.* per ton for rice and heavy goods, and 20*l.* for fine goods. All of these ships carried goods to London for account of the private merchants settled in India, and also carried British goods to India for them. The owners of the India-built ships now thought that they had reason to believe them regularly established in the trade; but, as the emergency which called them into employment no longer existed, it was impossible to allow them to supersede the ships, built and equipped in a superior manner expressly for the service of the company, which they were under engagements to employ for a stipulated number of voyages.* This gave rise to a long contest between the company and the private merchants, the result of which was, that the company were forced at last to make various concessions beyond the provisions of their charter. The progress of the trade, from 1792 to the close of the present period, will be most distinctly indicated by the following notice of the exports and imports:—Total exports from England in 1793, 1,266,036*l.* (including only 10,290*l.* of bullion); in 1797, 1,739,510*l.* (including 627,858*l.* of bullion); in 1798, 2,634,502*l.* (including 1,217,748*l.* of bullion); in 1801, 2,512,779*l.* (including 435,595*l.* of bullion). Total imports to England in 1793, 5,769,547*l.*

* *History of the European Commerce with India*, p. 232.
13

(of which on account of private trade, 882,620*l.*) ; in 1795, 8,098,495*l.* (of which private trade 1,189,296*l.*, and what is called neutral property 380,230*l.*) ; in 1797, 6,053,401*l.* (of which private trade 1,204,901*l.*, and neutral property 129,678*l.*) ; 1798, 10,315,256*l.* (of which private trade 1,629,959*l.*, and neutral property 348,281*l.*) ; 1801, 9,153,511*l.* (of which private trade 2,305,236*l.*, and neutral property 220,775*l.*)* What is called neutral property in this account would appear to be goods sent home to England in the company's ships, by subjects of the United States, and other friendly powers, to whom a general permission to trade with the territories under the government of the company, under certain regulations, was granted by acts passed in 1797, after it had been practically enjoyed for some preceding years.

* Table in Macpherson, History of Commerce with India, p. 429.

CHAPTER XII.

THE PRESENT CENTURY.

THE brief sketch of our more recent commercial progress to which we must confine ourselves, will be most clearly and conveniently given in the form of a strictly chronological review, which we will begin, for the sake of connection and completeness of statement, with the first year of the century, although some of the facts belonging to that year have already been noticed in the last chapter.

A.D. 1801.—The rise in the prices of provisions, and of European produce generally, which had commenced in 1799 with the unfavourable prospects of the harvest of that year, and had been continued and increased by the still worse harvest of 1800 throughout that and the earlier part of the following year, was at last checked, and made to give place to an opposite state of things, by at least a moderately abundant harvest in 1801. The king's speech at the opening of Parliament, in the end of October, warmly expressed the comfort and gratification the royal mind derived from the relief which the bounty of Providence had in this way afforded to the people; and, "in contemplating the situation of the country," his majesty added, "at this important conjuncture, it is impossible for me to refrain from expressing the deep sense I entertain of the temper and fortitude which have been manifested by all descriptions of my faithful subjects, under the various and complicated difficulties with which they have had to contend." The severe pressure upon subsistence had driven the starving population, in some parts of the country, into acts of rioting and outrage upon property; but their excesses were in no proportion to their protracted privations and sufferings. The greatest elevation of prices had been reached in March 1801; after that a marked change, Mr. Tooke observes, began to take place "in the aspect of things, both as to the influence of the seasons and the state of politics." "The winter," he goes on to explain, "had been less rigorous than the two preceding. The seed-time, both for wheat and sprin-

corn, had been favourable, and an increased breadth of cultivation was in progress. The spring of 1801 was genial, and the crops were forward and promising. The death of the Emperor Paul of Russia, and the peace with Denmark, which followed the battle of Copenhagen, had reopened the navigation of the Baltic to British shipping, thus removing the obstruction which had been apprehended to supplies from thence; and the bounty, therefore, with the high prices, ensured a large importation of corn. Under these improved prospects of future supply the markets gave way rapidly.* The importations of grain in 1801 amounted to 1,424,766 quarters of wheat, 113,966 quarters of barley, and 583,043 quarters of oats, being the greatest quantity that had ever been imported up to that time; and the effect was to reduce the average price, between the 30th of July and the end of the year, from 129*s.* 8*d.* to 75*s.* 6*d.* for wheat, from 69*s.* 7*d.* to 44*s.* for barley, and from 37*s.* 2*d.* to 23*s.* 4*d.* for oats. Finally came the peace with France, the preliminaries of which were signed on the 1st of October; but of this great change in the circumstances of the nation and of the world the effects on trade were principally experienced in the next year. The official value of the imports in 1801 is stated to have been 31,786,262*l.*; of the exports 35,264,650*l.*†

1802.—This, the year of peace, was also one of great commercial activity and prosperity. The harvest this year was again a fair one, and the prices of corn continued to decline, till, at the close of the year, the average price was for wheat 57*s.* 1*d.*, for barley 25*s.* 7*d.*, for oats 20*s.* The official value of the imports in 1802 was 29,826,210*l.*, and that of the exports 38,309,980*l.*

1803.—The immediate renewal of the war with France may be said to have been certain from the commencement of this year. On the 8th of March a message from the king informed parliament that, as very considerable military preparations were carrying on in the ports of France and Holland, his majesty had judged it expedient to adopt additional measures of precaution for the security of his dominions; and this was followed by a declaration of war on the 18th of

* History of Prices, i. 237.

† These are the figures given by Mr. Porter, in his *Progress of the Nation*, ii. 98, as well as in the article 'Great Britain,' in the Penny Cyclopædia, xi. 417. We shall in like manner take the amounts for future years from Mr. Porter's work.

May. "The first effect of hostilities," says Chalmers, "which were commenced by the people with alacrity, was to reduce the value of the cargoes exported from 41,411,966*l.* in 1802, to 31,438,495*l.* in 1803. The next effect was to introduce into our carrying trade 112,819 tons of foreign shipping. The third effect was to lessen the British shipping which were employed in our carrying trade 173,900 tons; many of which, however, may have been taken into the service of the public when they ceased to be employed by private individuals."* The table in Mr. Porter's work makes the official value of the exports in 1803 to have been only 28,500,174*l.*; and that of the imports 26,622,696*l.* The tonnage of ships built and registered in the United Kingdom, according to another of Mr. Porter's tables, was 122,593 tons in 1801; 137,508 in 1802; 135,692 in 1803:† the entire mercantile marine belonging to the empire in 1803 is stated to have measured 2,167,863 tons, and to have consisted of 20,893 vessels, including 2,825 belonging to the colonies.‡ Chalmers remarks, that in every war Great Britain has employed many foreign ships, which have been immediately discharged on the return of peace. It appears that, whereas, in 1801, the last year of the former war, there were 84.56 tons of foreign shipping employed for every 100 tons British, that proportion was reduced in 1802, the year of the peace, to 36.02 tons, and in 1803, the first year of renewed hostilities, was only increased again to 57.19.§

1804.—The decline of the prices of agricultural produce continued throughout the spring of 1804, the averages in March of that year having been for wheat 49*s.* 6*d.*, for barley 22*s.* 9*d.*, for oats 19*s.* 6*d.* "This fall and low range of prices," Mr. Tooke remarks, "is the more observable, because the cost of production had been considerably increased. The wages of labour had risen considerably in consequence of a recurrence of periods of great dearth; and all the implements of husbandry had experienced a very great advance in price. The rate of interest, too, was much higher, in consequence of the absorption by the government expenditure of a large part of the savings of individuals. Moreover some, although perhaps an inconsiderable proportion, of the progressive taxation attached to agricultural production; and, while the cost in labour, in capital, and taxation, appli

* *Historical View*, p. 451.

† *Id.* 171.

‡ *Progress of the Nation*, ii. 172.

§ *Id.* p. 168.

cable to native production was thus raised, the cost of a foreign supply, of which we were then supposed to stand habitually in need, was also raised by the increased charges of freight and insurance incidental to the state of war."* From these considerations it is inferred that the real fall of prices was still greater than the apparent one. A cry of agricultural distress now arose; petitions were presented to the House of Commons, for additional protection to native produce; and an act was passed imposing a duty upon foreign wheat of 2*s.* 3*d.* per quarter when the price in the home market should be under 63*s.*; of 2*s.* 6*d.* when the home price should be at or above that rate and under 66*s.*; and of 6*d.* when it should be above 66*s.* This measure, however, never became operative. Meanwhile a committee of the House of Commons, to which the petitions of the agriculturists had been referred, had accounted as follows, in their report, for the fluctuations of prices during the bygone twelve or thirteen years:—"The price of corn from 1791 to the harvest of 1803 has been very irregular; but, upon an average, increased in a great degree by the years of scarcity, has in general yielded a fair profit to the grower. The casual high prices, however, have had the effect of stimulating industry, and bringing into cultivation large tracts of waste land, which, combined with the two last productive seasons, and other causes, have occasioned such a depression in the value of grain as, it is feared, will greatly tend to the discouragement of agriculture, unless maintained by the support of parliament." It appears that from 1795 to 1804 inclusive the number of inclosure bills passed by parliament was 782, or on an average 78 a year; of which number 80 were passed in 1801, 122 in 1802, 96 in 1803, and 104 in 1804. The harvest of 1804, however, turned out to be very deficient; it was calculated that, although there was an average produce in Scotland, the deficiency throughout England and Wales (occurred by blight and mildew) was not less than from a fourth to a third.† The consequence was, that by the end of the year the average prices rose to be for wheat 86*s.* 2*d.*, for barley 43*s.* 10*d.*, for oats 26*s.* 11*d.* The foreign trade of the country had already begun to recover from the depression produced by the war: the official value of the imports this year being 27,819,552*l.*, that of the exports 32,626,050*l.*

* History of Prices, i. 256.

† Took, i. 162.

1805.—The prospect of the harvest this year was for some time so unfavourable that the average price of wheat, after having somewhat declined from the rate of the preceding December, rose in August to the height of 98*s.* 4*d.* The crop was well got in, and the deficiency proved less than had been apprehended, so that by the close of the year the price had fallen to about 78*s.*; but still there was no such abundance as to compensate for the failure of the crops of 1804. Of the scarcity produced by that failure Mr. Tooke observes, that “it was calculated to maintain an elevation of the average price thrown over a series of years, and was the specific occasion of renewed demands by the working classes for advanced wages; claims which were rendered the more effectual by the resource which the increasing employment in the army and navy held out to the workmen who engaged in the numerous strikes of that time.” And he adds that the harvests of the following years, combined with the state of politics, were not of a nature to counteract these effects. Our foreign trade, as indicated by the amount of exports and imports, continued at least to maintain itself at the point to which it had risen in the preceding year; the official value of imports for 1805 is stated to have been 28,561,270*l.*, that of exports 31,020,061*l.* Of the latter sum the British and Irish produce and manufactures amounted to 23,376,941*l.*; but their declared or real value was 38,077,144*l.*; or, according to another statement also given by Mr. Porter, 36,069,147*l.** The value of 13,625,676*l.* is stated to have been sent to foreign Europe, that of 11,011,409*l.* to the United States of America, that of 7,771,418*l.* to the rest of America, that of 2,904,584*l.* to Asia, that of 756,060*l.* to Africa.

1806.—By the spring of this year the average price of wheat had declined to 74*s.* 5*d.* But apprehensions began again to be entertained respecting the coming crop, the appearance of which was unpromising; and in March came the proclamation of the Prussian government, under the dictation of France, prohibiting the entrance of British ships into any of its ports or rivers, which threatened to cut off our supplies of corn from the Baltic. Under these influences the price of wheat rose till, in June, it attained to 84*s.* After the harvest, however, which turned out an average one, prices somewhat declined. On the 21st of November Bro-

**Progress of the Nation*, ii. 98 and 102.

naparte issued from the newly-captured city of Berlin his famous decree declaring the whole of the British Islands in a state of blockade; but this paper blockade (a contradiction and absurdity in terms), whatever mischief it might have been qualified to operate in course of time, could have had no effect upon the foreign trade of this country in the present year. The official value of the imports for 1806 is stated to have been 26,899,658*l.*; but this falling off was more than compensated by the increase of the exports, the official value of which rose to 33,579,434*l.*; the real value of that portion of them which consisted of British and Irish produce and manufactures being, according to the first of the two accounts to which we have already referred, 40,874,983*l.*, according to the other 38,732,730*l.* To the United States there was this year sent of such goods to the value of 12,389,488*l.*, to the rest of America to that of 10,877,968*l.*, and there was also a considerable increase on the exports to Africa; but those to the rest of Europe are stated to have declined to 11,363,635*l.* This falling off, and that in the imports generally, are no doubt to be attributed to the interruption, since the early part of the year, of intercourse with the Prussian dominions.

1807.—Invalid, however, as the Berlin blockade was according to the recognized law of nations, which to constitute a good blockade demands as an essential element the presence of an armed force sufficient to maintain it, it is certain that the attempt to enforce it was for some time actually made by the French emperor, and that in the first three or four months after its promulgation many vessels of neutral powers were seized for infringing it, and brought into the ports of France and condemned. Whether this course would have been long persisted in, in the face of the opposition which it might seem likely to encounter from all neutral powers, may be a question: almost the only neutral power that could have offered it any effectual opposition was the American republic, and that free government had never shown much of a disposition to resist either injuries or insults proceeding from the despot of France and of the European continent; besides, it was afterwards avowed, and urged by the Americans themselves as a sufficient reason for their declining to move in the matter, that they had obtained an assurance from Buonaparte, though not in an official form, that the Berlin decree would not be put in force against their vessels. Upon this condition, or understand-

ing, they were perfectly willing, it would appear, that it should be applied to the interruption of the commerce of all other neutrals; and doubtless this would have been for them a sufficiently convenient and profitable arrangement, not only leaving them to pursue the trade that fairly belonged to them undisturbed, but clearing the seas of all their rivals, and throwing into their hands a monopoly of the carrying trade between Britain and all the other countries of Europe. Possibly, in the circumstances, this might have been a state of things not disadvantageous to England either; in the condition to which the world was reduced, with so many of the old channels of our commerce shut against us, this outlet for our produce and manufactures through the vessels of the United States ought perhaps to have satisfied us, and made us feel as grateful to that power as the Americans themselves seemed to feel to Buonaparte for the permission, or half-permission, he had given them to afford us such an accommodation. The Whig ministry, however, which was then in power, did not think it proper or becoming to acquiesce in silence in the novel and extraordinary pretensions put forth by France; and on the 7th of January in this year 1807, they issued an order in council, directing the seizure of all neutral vessels trading from one hostile port in Europe to another, with property belonging to an enemy. And when this measure was found to have little effect, and to be extensively evaded, while in the latter part of the year new efforts began to be made with considerable success to enforce the Berlin decree, Mr. Perceval, on the 11th and 21st of November, issued further orders in council, by which France and all the countries subject to it were declared to be in a state of blockade, and all vessels were made liable to seizure which should attempt to trade with those parts of the world. Soon after the publication of the Berlin decree Buonaparte by another decree had ordered, after the example of the Directory in 1796, that all neutral vessels should carry attestations, called letters or certificates of origin, from the French consuls of the ports from which they had set out, that no part of their cargo was British, and should be seized if found without such protections: the British government now announced that all vessels of neutrals should be seized on board of which such letters of origin were discovered. No neutral vessels, it was also intimated, would be allowed to trade with France, or any other hostile country, which had not touched first at some British port, and

after paying custom-dues there, been permitted, according to certain regulations which were set down, to pursue their voyage. These orders, therefore, were an adoption, on the principle of retaliation, of all the principles of the Berlin decree, and even an extension of some of the boldest innovations in that attack upon the rights of neutrals. But the object obviously was to force the neutral powers to resist the hitherto unheard-of, or at least entirely unadmitted, pretensions which had thus been put forth by France. Meanwhile, between the French and the English decrees, in so far as they were enforced, the neutral trade was brought to a standstill, or was annihilated : neutral vessels could not comply with either decree without rendering themselves subject to capture or confiscation under the other. In these circumstances Buonaparte, on the 17th of December, issued another decree from Milan, extending his so-called blockade to the British dominions in all quarters of the world. And on the 22nd of the same month the government of the United States, which had been aware for some weeks of the British orders in council promulgated here in November, laid an embargo on all American vessels in their ports, thus preventing for the present any resort by its subjects for trade to the dominions of either of the two belligerent powers. But these measures could not, of course, have any effect upon the commerce of the present year. The official value of the imports in 1807 is stated to have been 26,734,425*l.*, or nearly the same as in the preceding year ; that of the exports, however, had declined to 31,015,526*l.*, and that of the British and Irish produce and manufactures to 23,391,214*l.* The declared value of the British and Irish manufactures was, according to one of the two accounts, 37,245,877*l.*, according to the other 35,412,867*l.* The value of those sent to the United States was very little less than in the preceding year ; but that of those sent to the rest of Europe was now only 9,002,237*l.* This falling off was, probably, in great part occasioned by the closing of the passage of the Sound by Denmark after our bombardment of Copenhagen in the autumn, an act which was also followed, on the part of Russia by an embargo on British shipping. The harvest in England, though scarcely an average one, was well got in, and by November the price of wheat had declined to 6*s.*

1808.—From the very commencement of this year the price of grain began to recover. “The scantiness of the preceding

crop," says Mr. Tooke, " was beginning to be felt, and, at the same time, the apprehensions which had been entertained of the exclusion of the British flag from trade in the Baltic were realized. Thus we were threatened with an almost total cutting off of a foreign supply, if we should have occasion for it, as it was thought inevitable that we should; it being considered as a settled point that this country did not produce corn enough for its own consumption."* In these circumstances, after a cold spring and a rainy and stormy summer, came a harvest which proved to be still more deficient than that of the preceding year. Accordingly, prices continued to rise after the new crop was got in; the average price of wheat, which by the month of July had reached 8*s. 4d.*, attained to the height of 9*2s.* in November, and vibrated about that point for the rest of the year. The prices also of nearly all other articles which we were accustomed to receive either wholly or in part from foreign countries underwent a great advance. "The close of the year 1807," Mr. Tooke observes, "found us, by the events of the war, excluded from direct commercial intercourse with every country in Europe, Sweden excepted; and there was consequently, besides in many instances a short actual supply, a prospect of scarcity of every article of European produce required as raw materials for our manufactures or as naval stores. . . . The prospect of scarcity thus held out naturally excited a spirit of speculation; and in proportion as that prospect became realized was the speculative demand extended."† Thus hemp rose from 58*l.* per ton, which was its price in the summer of 1807, to 118*l.* in the course of 1808. Flax rose from 68*l.* to 142*l.* per ton. Memel timber, which during 1806. and 1807 had varied from 73*s.* to 170*s.* per load, now reached 340*s.*; and deals and other descriptions of wood rose in proportion. Baltic linseed rose from 43*s.* to 150*s.* per quarter; Russia tallow from 53*s.* to 112*s.* per cwt.‡ In consequence of the occupation of Spain by the French, great speculations were entered into in the wool of that country; and the price rose from 6*s. 7d.* and 6*s. 9d.* to 22*s.* and 26*s.* per lb. for the Leonessa, and from 2*s. 6d.* and 5*s.* to 13*s.* and 18*s.* for Seville wools. Silks, in like manner, for a supply of which article our principal dependence was then on Italy, advanced considerably.—Piedmont thrown silk from 30*s.* and 47*s.* to 96*s.* and 112*s.*"

* *History of Prices*, i. 268.

† *Ibid.*, i. 274.

‡ *Ibid.*

and, under the greater demand for other sorts thus created, China raw silk from 19*s.* and 22*s.* to 33*s.* and 45*s.*, and Bengal from 25*s.* and 33*s.* to 52*s.* and 85*s.* A similar increase took place in the prices of the produce of the territory of the United States, in the embarrassed and threatening state of our relations with that government: the cotton of Georgia rose from 9*d.* and 1*s.* to 2*s.* and 2*s.* 6*d.* per lb., and the tobacco of Virginia from 4*d.* and 8*d.* to 1*s.* 4*d.* and 2*s.** The only article which appears to have become cheaper was butchers' meat, the decline in which was probably connected with the high prices of grain and other agricultural produce, which made feeding unprofitable. Even sugar, coffee, and other articles of colonial produce, which had fallen in price during the enhancement of articles of more immediate necessity, on the principle explained in our last chapter, and had reached an extreme point of depression in 1801, had advanced from that date till 1805, and, although they had been again depressed during 1806 and 1807, had experienced a speculative improvement in price in this year, 1808, which they maintained for some time.† Then, coincidently with the advance of the prices of imported commodities, there was a new field of great extent opened for our exports. "The transfer," says Mr. Tooke, "of the seat of government from Portugal to the Brazils, and the virtual emancipation of the colonies of Spain from the control of the mother-country, opened the trade of a great part of South America in 1808; and, as by the course of the war we possessed the entire dominion of the seas, it was in fact to this country, exclusively of the rest of Europe, that this opening was presented."‡ And then he quotes the following graphic description by Mr. Macculloch of the shipments to South America by our merchants and manufacturers in the first fervour of the excitement and spirit of speculation thus called up: "The exportations consequent on the first opening of the trade to Buenos Ayres, Brazil, and the Caraccas were most extraordinary. Speculation was then carried beyond the boundaries within which even gambling is usually confined, and was pushed to an extent and into channels that could hardly have been deemed practicable. We are informed by Mr. Mawe, an intelligent traveller resident at Rio Janeiro at the period in question, that more Manchester goods were sent out in the course of a few weeks than had

* *Tooke, History of Prices*, i. 275

† *Ibid.* p. 273. ‡ *Ibid.* p. 276.

been consumed in the twenty years preceding; that the quantity of English goods of all sorts poured into the city was so very great, that warehouses could not be provided sufficient to contain them; and that the most valuable merchandize was actually exposed for weeks on the beach to the weather and to every sort of depredation. Elegant services of cut glass and china were offered to persons whose most splendid drinking-vessels consisted of a horn or the shell of a cocoa-nut; tools were sent out having a hammer on the one side and a hatchet on the other, as if the inhabitants had had nothing more to do than to break the first stone that they met with and then cut the gold and diamonds from it; and some speculators actually went so far as to send out *skates* to Rio Janeiro." * At home, also, throughout 1807 and 1808, speculation extended to many articles of general consumption, and numerous joint-stock companies were formed for the construction of canals and bridges (Waterloo-bridge and Vauxhall-bridge were projected, and the subscriptions for them raised, in 1808), and the establishment of fire and life insurance offices, breweries, distilleries, wine and foreign spirit marts, vinegar-manufactories, &c. The entire official value of the imports and exports in 1808 was nearly the same as in the preceding year; that of the imports 26,795,540*l.*, that of the exports 30,387,990*l.* The real or declared value of the British and Irish produce and manufactures exported was also much the same as in 1807; being 37,275,102*l.* according to one account, 35,007,591*l.* according to another. The value, however, exported to the United States was now only 5,241,739*l.*, while that exported to the rest of America had risen to 16,591,871*l.* But of the latter amount, no doubt, much found its way to the States.

1809.—The revolution which took place at Stockholm in March this year, involving the deposition of Gustavus IV., the establishment of a new constitution, and the arrangement of a peace with Russia by the cession of Finland, brought with it our immediate exclusion from the ports of Sweden, the only country in Europe that had remained open to our commerce, with the exception of Spain and Portugal, which were also both overrun and claimed as conquests by France. On the 4th of March also the American government followed up its embargo by an act of congress prohibiting all commercial intercourse on the part of the people of the United

* *Principles of Political Economy*, 2nd ed. p. 329.

States with either France or England. In April, in consequence of an arrangement entered into by our minister at Washington, Mr. Erskine, the act was suspended in regard to this country by the authority of the president; but on the 10th of August the prohibition was renewed, on the disavowal of Mr. Erskine's negotiations by the British government; and the non-intercourse continued throughout the remainder of the year. Meanwhile at home, under the apprehension that the last crop might prove insufficient to meet the consumption, while there was apparently no possibility of obtaining supplies from abroad, the prices of agricultural produce continued to rise, till in March the average price of wheat reached 9s. As the harvest approached, a decline began to take place, and by July the averages had got down to 8s. 6d.; but heavy rains now set in and continued till the middle of October, in consequence of which the crops suffered greatly; so that prices began to rise again, till in December the average for wheat had reached 10s. 6d. Yet about 400,000 quarters of wheat were obtained from abroad in the latter part of the year. The entire value of the grain imported in this year exceeded 2,700,000*l.* At the same time most other commodities, whether raw materials or manufactured articles, experienced a great fall of price. "The great advance," says Mr. Tooke, "and the enormously high range, of prices in this country in 1808, while on the Continent they were low (by the operation of the same causes as made them high here), induced the merchants on both sides to make great efforts to overcome or elude the obstacles to importation, opposed by our own orders in council, as well as by the continental system. Accordingly, measures were taken, by means of licences from the government of this country, and of simulated papers, which were calculated to lull the vigilance or satisfy the scruples of those foreign governments which were the unwilling tools of the overbearing power of France at that period, for the purpose of importing, on a large scale, the commodities which had experienced so great a rise."* It appears that under these circumstances the imports into this country of cotton rose from 2,353,725 lbs. in 1808 to 6,845,938 lbs. in 1809; of raw silk, from 637,102 lbs. in 1808 to 698,189 lbs. in 1809; of thrown silk, from 139,312 lbs. in 1808 to 501,746 lbs. in 1809; of tallow, from 148,282 cwts. in 1808 to 353,177 cwts. in 1809;

* *History of Prices*, i. 201.

of hemp, from 259,687 cwts. in 1808 to 858,875 cwts. in 1809; of flax, from 257,722 cwts. in 1808 to 533,367 cwts. in 1809; of linseed, from 506,332 bushels in 1808 to 1,119,763 bushels in 1809; of cotton, from 43,605,982 lbs. in 1808 to 92,812,282 lbs. in 1809; of sugar, from 3,753,485 cwts. in 1808 to 4,001,198 cwts. in 1809; of coffee, from 417,642 cwts. in 1808 to 826,683 cwts. in 1810.* The fall of prices thus produced was, in many instances, such, Mr. Tooke states, as "left to the importer, after paying for the enormous charges of importation, nothing whatever for the prime cost."† The total official value of the imports in this year is stated to have risen to 31,750,557*L*, and that of the exports to 46,292,632*L*. The real value of British and Irish produce and manufactures exported was, according to one account, 47,371,393*L*, according to another 44,794,452*L*; of which there was sent to the United States to the amount of 7,258,500*L*, to the rest of America to that of 18,014,219*L*, and to other European countries to that of 15,849,449*L*, instead of 9,016,033*L*, which was the amount in 1808.

1810.—The damaged and deficient crop of the preceding year was followed, in 1810, by a cold and ungenial spring, and all the appearances of another unfavourable harvest, which continued up to the middle of August, and, notwithstanding large importations (to the extent of 1,500,000 quarters of wheat and 600,000 quarters of other grain and flour, the cost of which exceeded 7,000,000*L*), raised the average price of wheat by that time to 11*s*. A great change, however, now took place in the weather, and the crops were secured in so good condition, and turned out so much better than had been expected, that by the end of the year the average price of wheat had declined to 9*s*. 7*d*. One consequence was, that many of the corn-dealers, who had speculated on the continuance of the bad weather, were ruined. While most important commodities, too, were continuing to fall in price, "a total stop," says Mr. Tooke, "was put to our exports to the Baltic by the extensive confiscations which had occurred, in the summer of 1810, in the ports of Germany and Prussia. The returns, too, from South America were now coming round; and these left a ruinous loss to the exporters, many of whom had bought the goods on credits maintained by the circulation of accommodation paper. From the close, therefore, of 1809, through 1810, there was

* *Tooke, History of Prices*, i. 301.

† *Id. p. 308.*

a complete exemplification of the circumstances which are conducive to a reduction of private paper, and to a diminution of transactions on credit, viz. stagnation and despondency, as succeeding to a state of speculation and overtrading. And so many circumstances, on so large a scale, combining in the same direction, the fall of prices, the reduction of private paper, and the destruction of credit were greater and more rapid than were ever before, or have since been, known to have occurred within so short a space of time. A general dismay prevailed throughout nearly all branches of trade during the last six months of 1810, and the first few months of the following year, when the depressing causes had produced their greatest effect."* The operation of these causes was not materially counteracted by the re-opening of the trade with the United States, in consequence of an act passed by congress on the 1st of May in this year repealing the non-intercourse law for the present with regard both to this country and France. The first English failures that excited alarm appear to have occurred in July. The commercial report in the 'Monthly Magazine' for August, as quoted by Mr. Tooke, states that the failures of houses of the first respectability, both in London and in the provinces, during the preceding month, had been of unexampled number and importance: a West India broker, who had long been considered the first in his line, had, by speculations in Spanish wool, an article which had fallen fifty per cent., occasioned the stoppage of a London banking-house, which brought down the several country banks connected with it, and from them the ruin spread to merchants, manufacturers, and their dependents: about the same time five Manchester houses in the city stopped payment, with liabilities to the amount of 2,000,000*l.*, under the pressure of the difficulties they had brought upon themselves by speculative exports to South America. "In consequence of these unexpected events," says the report, "public credit is at the present moment as low as ever it has been in the memory of man; the fluctuation of prices in the money-market is unprecedented, and the depression so considerable that omnium is fallen to two and a half per cent. discount. . . . The renewal of our intercourse with the United States of America has, in some sort, benefited the manufacturing interest; but this felicitous effect is almost swallowed up in the vortex of those calamities which it has been our painful

duty to record." All trade between Great Britain and Holland, it is afterwards mentioned, was at this time completely put a stop to by the rigorous execution of the French emperor's anticommercial decrees. In November the number of bankruptcies in England, which in the same month from 1804 to 1808 had ranged from 60 to 100, and in 1809 had been only 130, rose to 273, "besides stoppages and compositions," says the 'Commercial Report' for December, "equal in number to half the traders in the kingdom." . . . "These failures throughout the kingdom," the report goes on, "have wonderfully affected the manufacture of every description of goods, and a general want of confidence exists between the manufacturer and the export merchant. The speculators at Liverpool have completely overstocked the different markets of South America, where at present English manufactured articles can be purchased at a loss of twenty per cent. to the exporter, with the exception of a few articles on which little or no credit could be obtained here." Throughout the following month of December the ruin continued to spread, and the destruction of credit became still more complete. "Confidence in the commercial world," says the next report, "seems nearly at an end. Discount, unless bills, &c. of a few of the first houses in the city, can only be done through the medium of bill-brokers, at an extra commission, exclusive of the regular interest. In Lancashire the cotton manufacturers appear, by the late gazettes, as well as by private information, to be greatly distressed, and business quite at a stand. In Manchester and other places houses stop not only every day, but every hour. Cotton wool is in no demand at any price, and no export of the manufactured goods, except a few sorts to Rio, &c. The trade of Birmingham, Shefield, &c. quite at a stand, and no orders for execution there, except a few for our home consumption. At London, Liverpool, and Bristol the king's stores are full of all kinds of colonial produce, as coffee, sugar, rum, &c. for security of their duties, and the proprietors in the greatest possible distress, not being able to force sales of these articles." The entire number of commissions of bankruptcy taken out this year amounted to 2314, of which 26 were against bankers. It appears, too, that the commercial embarrassments and distress of this period were felt in nearly as great severity as in England, not only throughout the continent of Europe, but even in the United States of America. In how far the state of trade in these

several parts of the world indicated only the same generally disordered system, or had been affected by the same causes, and what those causes in their whole extent really were, are questions as to which much difference of opinion was entertained at the time, nor has the investigation the subject has since undergone cleared it of all doubt or obscurity. The pressure on the Continent and in America seems to have followed that felt in this country; and, looking to that fact, and to the position of England as the centre and heart of the commercial system of the world, we seem to be warranted in concluding that the mischief began here, and was hence propagated to other countries. The war, the French decrees and the British orders in council, the American embargo and Non-Intercourse Act, the deficient harvest of 1809, the over-exportations to South America, and the over-importations from the West Indies, may be safely held to have all had a share in producing the result, to whatever extent these various co-operating causes are to be considered as connected among themselves, or as separate and independent in their origin. And there is also another cause which has been assigned as having had a good deal to do in the immediate production of the commercial panic which suddenly broke out in England in the summer of this year, or at least in aggravating and spreading it after it had commenced—we mean, the appointment and subsequent proceedings of the famous Bullion Committee. This select committee was appointed by the House of Commons on the 1st of February, on the motion of Mr. Horner, who became its chairman, "to inquire into the cause of the high price of gold bullion, and to take into consideration the state of the circulating medium, and of the exchange between Great Britain and Foreign parts;" it commenced the hearing of evidence on the 22nd of that month, and continued to examine witnesses till the 25th of May; the report, the work of the chairman, was ordered by the House to be printed on the 8th of June; and, although copies were not in the hands of members till about the middle of August (the number of tables in the appendix having delayed the printing), the substance of its reasoning and recommendations was circulated by the newspapers immediately after it was laid on the table of the House. Its main conclusions were:—That the circulating medium ought to be brought back, with as much speed as was compatible with a wise and necessary caution, to the original principle of cash payments at the option of

the holder of bank paper : that no sufficient remedy for the present, or security for the future, could be pointed out except the repeal of the law which suspended the cash payments of the Bank of England ; that the restriction on cash payments could not safely be removed at an earlier period than two years from the present time, but that early provision ought to be made by parliament for terminating by the end of that period the operation of the several statutes which had imposed and continued that restriction. The alarm which the publication of these propositions occasioned among the bankers, and the merchants who had been accustomed to look to the Bank for discounting their bills, is said in some of the accounts to have first produced the contraction of credit, under the pressure of which so many houses came down. And the Bullion Report may, in point of fact, have given the last shock, or touch, which brought about the catastrophe ; but the causes undoubtedly were far more powerful, and more deeply seated, which had so weakened our commercial system as to make it liable to be thus overthrown by the first puff of air. The total official value of the imports of foreign and colonial merchandize in this year, 1810, rose to 39,301,612*l.* : that of the exports of all kinds was only 43,419,336*l.*; but the real or declared value of British and Irish produce and manufactures exported was higher than in the last year, having been, according to one of the two accounts, 48,438,680*l.*, according to the other 45,761,121*l.* In regard to the quarters to which these goods were sent, the only material difference was, that the amount sent direct to the United States was, this year, 10,920,752*l.*, and that sent to the rest of America only 15,640,166*l.* This change was a consequence of the restoration of direct intercourse with the United States ; but it did not imply any change in the ultimate destination of the commodities exported, nearly the same proportion of which, doubtless, had found their way to the States, though by a more circuitous route, during the suspension of the intercourse as now.

1811.—The prices of agricultural produce, under the influence of the large importations of the preceding year, continued slowly to decline throughout the first seven months of 1811, till, in July, the average price of wheat had fallen to 87*s.* 2*d.* Meanwhile, on the 2nd of February, an act had been passed by the American Congress, prohibiting all importation into the United States of goods, the manufactures or produce of Great Britain. This new prohibition was in

execution of a threat held out in the late act renewing the commercial intercourse between the two countries, that, if the orders in council should not be revoked by a certain day, some such measure of retaliation should be adopted. In April, parliament, after the example of what had been done in 1793, interfered in aid of the distressed condition of the commercial and manufacturing interests by passing an act granting a sum not to exceed 6,000,000*l.*, to be advanced by commissioners by way of a loan to parties who should be able to give adequate security. Of the sum thus granted not more than 2,000,000*l.* were actually advanced ; but that assistance was generally supposed to have contributed materially to the restoration of confidence and prosperity. "In that opinion," says Mr. Tooke, "I did not and do not participate. If the causes of abundance of commodities at home, and our exclusion from foreign ports, had continued, there would have been no ground for a rise of prices; and, if prices had not risen, the parties who borrowed the exchequer bills would have been injured instead of benefited by the facility of holding their goods so much longer; as they would thereby have incurred loss of interest, warehouse rent, and other expenses, and must at last have submitted to the same if not to lower prices than they might originally have obtained."* This may be very true, and yet the temporary assistance offered by parliament may have been salvation to the parties who availed themselves of it, by enabling them to wait for the better prices. Mr. Tooke, however, further argues that there is reason to believe that the measure did not come into operation till circumstances had occurred favourable to a revival of the activity of trade. "Those circumstances," he observes, "were the complete expulsion of the French from Portugal, and the progress of the British army in Spain, which opened nearly the whole Peninsula to a commercial intercourse with this country. The glut of our exports to South America and the West Indies had been carried off by low prices, and a brisk demand had succeeded. The intention of Russia to resist the French was becoming manifest; and an anticipation was confidently entertained of a relaxation of the prohibition against imports into the Russian ports."† In May, this year, the questions raised by the Report of the Bullion Committee were brought before parliament, and set at rest for the present, in so far as

* *History of Prices*, i. 317.

¶ 1811.

that could be done by the pronounced opinion of the House of Commons. The subject was introduced on the 6th, in a committee of the whole House, by Mr. Horner, who concluded a long speech by moving a series of sixteen resolutions embodying the principles of the Report. The first nine, however, were merely historical; the 10th asserted, in substance, that the actual value of Bank of England notes had been for a considerable time, and still was, considerably less than what the law declared to be a legal tender; the 11th, that the fall which had thus taken place in the value of Bank of England and country-bank paper had been occasioned by too abundant issues of paper currency, and that that excess had originated in the suspension of cash payments; the 12th, that the foreign exchanges had, for a considerable time, been unfavourable to this country in an extraordinary degree; the 13th, that this had been in a great measure occasioned by the depreciation of the currency of this country as compared with the money of foreign countries; the 14th, that during the continuance of the suspension it was the duty of the Bank directors to advert to the state of the foreign exchanges, as well as to the price of bullion, in regulating their issues; the 15th, that the only certain and adequate security against an excess of paper currency was the legal convertibility, upon demand, of all paper currency into lawful coin of the realm; the 16th and last, that, in order gradually to revert to this security, it was expedient to alter the time to which the suspension of cash payments was to continue, from six months after the conclusion of a peace, to that of two years from the present time. The debate upon these resolutions was continued by nightly adjournments till the 9th, and then the 10th, the first upon which a division took place, was negatived by 151 votes against 75, and the 16th, the only other upon which the committee divided, by the still larger majority of 180 to 45. This victory gained by the government was followed up on the 13th by Mr. Vansittart, the chancellor of the exchequer, moving, also in a committee of the whole House, a series of seventeen counter-resolutions, of the most material of which the import was as follows:—3. That the notes of the Bank of England "have hitherto been, and are at this time, held to be equivalent to the legal coin of the realm, in all pecuniary transactions to which such coin is legally applicable." 4. That an unfavourable state of the foreign exchanges had occurred at various periods both before and since the *su*

pension of cash payments, and usually "when expensive naval and military operations have been carried on abroad, and in times of public danger or alarm, or when large importations of grain from foreign parts have taken place." 6. That, of the seventy-five years ending with 1795, there were thirty-four years and five months during which the price of standard gold in bars had been at or under the Mint price, and thirty-nine years and seven months during which it had been above that price; thirty-one years and two months during which the price of foreign gold had been at or under 3*l.* 18*s.* per ounce, and forty-two years and ten months in which it was above that price; and three years and two months only in which the price of standard silver was at or under the Mint price. 7. That the price of bullion had frequently been highest, and the exchanges most unfavourable, at periods when the issue of bank-notes had been considerably diminished, and had been afterwards restored to their ordinary rates, although those issues had been increased. 12. "That, although from the time of the invasion of Holland by the French in 1795 the trade of Great Britain with the Continent was, in part, circumscribed and interrupted, it was carried on freely with several of the most considerable ports, and commercial intercourse was maintained, at all times previous to the summer of 1807." 13. That since November, 1806, and especially since the summer of 1807, all trade and correspondence between Britain and the Continent of Europe had (with some occasional exceptions, chiefly in Sweden and in certain parts of Spain and Portugal) "been hazardous, precarious, and expensive, being loaded with excessive freights to foreign shipping and other unusual charges;" and that the trade with the United States of America had also been uncertain and interrupted; in addition to which the naval and military expenditure of the United Kingdom in foreign parts had, for three years past, been very great, the price of grain very high, and the imports thereof from abroad large.* 15. That the situation of the kingdom, in respect of its political and commercial rela-

* In the debate upon the Report of the Bullion Committee it was stated by Mr. Vansittart that, in the three years from 1808 to 1810 inclusive, the government expenditure abroad had amounted to 32,159,000*l.* and the value of grain imported to 10,119,821*l.* Mr. George Rose stated that in the year 1810 alone not less than 5,500,000*l.* had been paid for foreign freights, from the impracticability of employing British shipping in the trade with the north of Europe.

tions with foreign countries, was sufficient, without any change in the internal value of its currency, to account for the unfavourable state of the foreign exchanges, and for the high price of bullion. 16. "That it is highly important that the restriction on the payments in cash of the Bank of England should be removed whenever the political and commercial relations of the country shall render it compatible with the public interest." And, 17. "That, under the circumstances affecting the political and commercial relations of this kingdom with foreign countries, it would be highly inexpedient and dangerous now to fix a definite period for the removal of the restriction of cash payments at the Bank of England prior to the conclusion of a definitive treaty of peace." After a further debate of two nights, these ministerial resolutions were all adopted by the House on the 15th; and thus whatever terror and additional embarrassment had been produced in the commercial world by the proposal of the bullionists to terminate the suspension of cash payments by the Bank at the end of two years, no matter what might then be the circumstances of the country—a proposal which appeared to imply so frantic a disregard and contempt for everything except abstract principles, that even on the side of the House where it originated there were found only forty-five members bold enough to vote for it,—was effectually dissipated. At the same time, as we have seen, the prospects of our foreign trade were fast brightening. "The expulsion of the French out of Portugal," says the commercial report in the 'Monthly Magazine,' under date of 1st June, "has once more opened a trade with that country, and, in consequence of it, vast quantities of goods of the manufacture of Great Britain are now shipping for Lisbon and Oporto, among which the manufactures of Manchester, &c. will not be the least in quantity. Linens, calicoes, and woollen cloths are in great demand in Portugal." It is added that the increasing briskness of the South American trade was confirmed by every mail from the Brazils. And the next month the same record says, "Since our last report the manufactories have revived in a great degree, chiefly owing to large orders for all kinds of woollen, linen, and cotton goods having arrived here for the markets of Portugal and of South America. The goods of Birmingham and of Sheffield are also in great demand at these markets. Credit and confidence, we are happy to say, revive, and the towns of Manchester, Nottingham, &c. feel vast benefit from the

happy change that has taken place. The West India Islands are now in want of all kinds of British manufactured goods, as the stock in hand in these islands has been purchased up with avidity for the Spanish settlements. Irish linen, sheeting, &c. render a full profit of twenty per cent. more than the usual profit attached to such speculations."* The crop of 1811, however, proved a deficient one, and the prices of agricultural produce began to rise in August, and continued to advance to the end of the year; so that the average price of wheat had, by December, attained to 106s. 8d. And the improvement in trade, Mr. Tooke remarks, succeeding as it did so immediately to a period of great distress, "was not yet marked by such eagerness of speculative shipment as had distinguished 1808 and 1809." It appears that the total official value of our imports in 1811 was only 26,510,186*l.*; that the total official value of our exports was only 28,799,120*l.*; and the real value of British and Irish produce and manufactures exported only 32,890,712*l.* according to one account, or 29,893,549*l.* according to another. Thus our foreign trade had never been so low as it was this year, in either of its branches, since the commencement of the century—the effect of the extravagant shipments of the preceding season. The real value of the exports to the United States was now reduced to only 1,841,253*l.* (all, or nearly all, shipped in the first two months of the year), while that of those to the rest of America also fell to 11,939,680*l.*; that of those to the other countries of Europe having also declined to 12,834,680*l.*

1812.—Agricultural produce, under the notion that the stock in hand was deficient, and the apprehensions excited by a cold and wet summer, continued to advance in price till, in August this year, the average price of wheat reached 152s. 3d. Mr. Tooke states, indeed, that the average price of wheat in that month was 155*s.*, of barley 79*s.* 10*d.*, and of oats 56*s.* 2*d.*; that in Mark-lane the finest Dantzic wheat fetched 180*s.*, and that oats in one or two instances were sold at the enormous price of 84*s.*;† the corn markets, he observes, had on no occasion since attained the same elevation. The price of butchers' meat also rose to an unusual height. When the harvest came, the deficiency proved less than had

* Quoted by Mr. Tooke, in History of Prices, i. 318.

† History of Prices, i. 323. The prices here appear to be calculated according to the imperial measure.

been apprehended; but still the crop was scarcely an average one, and prices maintained a high range throughout the rest of the year, the average price of wheat having by December only declined to 12*s.* A consequence of the high prices which agricultural produce had now maintained for five years, under a succession of crops more or less deficient, and the obstructions in the way of bringing supplies from abroad, must have been to bring large profits to farmers and to give an extraordinary impulse to speculations in the purchase of land. "Independently," says Mr. Tooke, "of the encouragement arising from those profits, continued through so great a length of time, there was now a confidence, which had not before existed, in the prospect of the continuance of them. The average produce of five seasons was supposed to represent what would be the utmost that any five succeeding seasons were likely to yield; and, as there was not, till the close of 1812, any appearance of a relaxation of the Continental system of exclusion directed against the trade of this country, a continued absence of foreign competition was fully anticipated. Under these circumstances, rents, upon the expiration of leases, were advanced in full proportion to the high range of the prices of produce; and, in several instances, they were raised threefold or upwards of what they had been in 1792. Every purchase of land previous to 1811, whether made with or without judgment, turned out favourably according to the then market-rates, and it was supposed, in consequence, that money could in no way be so profitably employed as in buying land. Speculations, therefore, in land, or, as it is termed, land-jobbing, became general, and credit came in aid of capital for that purpose. A striking, but not, I believe, a singular instance of that description of speculation was exhibited in the case of a petition presented to parliament some years after, representing that the petitioner had, in the years 1811 and 1812, laid out 150,000*l.*, partly his own and partly borrowed, in the purchase of land, which had since fallen so much in value that he was ruined by the loss; praying, therefore, to be relieved by what it has been the fashion to term an equitable adjustment of contracts, but which means, in reality, an indemnification for bad speculations."* At the same time, however, with this rise in the price of food, the rate of wages in most departments of industry and of remuneration for

* History of Prices, i. 326.

services of all kinds had been greatly increased. "The wages of agricultural labourers and artizans," as the writer we have just quoted afterwards remarks, "had been doubled, or nearly so. Salaries from the lowest clerks up to the highest functionaries, as well as professional fees, had been considerably raised on the plea of the greatly increased expenses of living; the expense of living having been increased not only by the increased price of necessaries, but by a higher scale of general expenditure or style of living, incidental to the progress of wealth and civilization."* Of the working people in manufactories, however, Mr. Tooke states that considerable numbers had had no advance of wages, or, if they had, the advance had been more than compensated by reduced hours of work. Along, too, with the high prices of agricultural produce there had been experienced, from the summer of the preceding year, a considerable scarcity of many of the principal articles for our supplies of which we were mainly or entirely dependent upon foreign countries; the risks and heavy charges of importation deterring speculators in the face of the low prices which such articles had realized in this country throughout 1810 and in the earlier part of 1811. Thus the imports of wool had declined from 10,936,224 lbs. in 1810 to 4,739,972 lbs. in 1811; of silk, from 1,792,206 lbs. in 1810 to 622,383 lbs. in 1811; of cotton, from 136,488,935 lbs. in 1810 to 91,662,344 lbs. in 1811; of tallow, from 479,440 cwt. in 1810 to 292,530 cwt. in 1811; of hemp, from 955,799 cwt. in 1810 to 458,547 cwt. in 1811; of flax, from 511,970 cwt. in 1810 to 243,899 cwt. in 1811; of linseed, from 1,645,998 bushels in 1810 to 594,016 bushels in 1811. These articles all, accordingly, experienced a considerable rise, although not, Mr. Tooke states, to quite the elevation which they had attained in 1808 and 1809. The stock, he observes, became scanty towards the end of 1811; "and there were grounds," he adds, "at the same time, for apprehending a further scarcity. The preparations by the French for the invasion of Russia gave reason to fear that, however disastrous to the former it might eventually prove, the intermediate consequence would be a cutting off of the supplies of naval stores and of other produce from thence; and, as the French armies spread over Prussia, all shipments from that country became more difficult and hazardous. Our differences with America were then rapidly tending to

* History of Prices, I. 230.

an open rupture, and the produce of that country naturally participated in the causes of advance."* The United States declared war against Britain on the 18th of June, 1812, five days before our orders in council, which had mainly produced the quarrel between the two countries, were revoked by the British government. On the other hand, both Russia and Sweden had early in this year joined in the war against France; a treaty of alliance with that object having been signed between these two powers on the 24th of March, which was followed by treaties of peace between Great Britain and Sweden on the 6th of July, between Russia and Spain on the 20th of the same month, and between Great Britain and Russia on the 1st of August. The total official value of the imports in 1812 was still only 26,163,431*l.*; but that of the exports rose to 39,041,573*l.* Of the real value of British and Irish produce and manufactures exported we have only one account for this year (the one of the two calculated upon the principle which gives the higher amount), and that makes it to have been 41,716,964*l.*

1813.—The fall in the prices of agricultural produce, which had begun after the autumn of 1812, and had gone on to the end of that year, proceeded, though at a slower rate, throughout the spring and summer of the present year; and then came a very abundant harvest, after which the movement was continued in the same direction with great rapidity. The average price of wheat, which had been 12*s.* in December, 1812, was 11*s.* 6*d.* in August, 1813, and sunk by December to 7*s.* 11*d.*, being lower than it had been in any month since May, 1808. At the same time, "the fall in the prices of commodities imported from the Continent of Europe," says Mr. Tooke, "was taking place in proportion as the opening of the ports from whence they were shipped diminished some of the expenses of importation; but the decline of prices was at first slow, because the continued hostility of Denmark and the war with the United States of America kept freights and insurances at a high rate." Prussia had risen and liberated herself in the beginning of this year, after the rout and destruction of the French army in Russia; on the 1st of March a new coalition of those two powers against France was arranged at Kalisch; and on the 1st of the following month France declared war against Prussia. Soon after Austria joined the

* History of Prices, i. 340.

confederation; an alliance between that power and Prussia, and Russia being ratified at Toplitz on the 9th of September, and a preliminary treaty with Great Britain being signed at the same place on the 3rd of October. The victories of Wellington had also, before the end of this year, driven the French out of the Spanish Peninsula; while the battle of Leipzig, fought on the 18th of October, had set free all Germany, and the Dutch had also expelled their foreign masters and re-established their ancient government. But, while these great changes brought down the prices of all articles imported from the Continent, they at the same time raised the prices of all our articles of export, and especially of colonial and trans-atlantic produce. "The lowest point of depression of West India produce," says Mr. Tooke, "and of other commodities, including manufactures, calculated for the markets of the Continent of Europe and the United States, occurred at the close of 1811 and in the early part of 1812. All these articles experienced a moderate degree of improvement towards the close of 1812, with the exception of such descriptions as were exclusively or chiefly calculated for export to the United States, and these, of course, were much depressed by the war which then broke out. By the retreat of the French from Moscow, not only the ports of Russia were secured from the danger of being again shut against us, but daily tidings were received of other ports in the north of Europe being opened to a trade with this country; and sanguine expectations were beginning to be entertained that the ports of France itself would, at no remote period, be open to us."* This state of things gave rise to a speculative demand for many articles, and especially for the various descriptions of colonial produce, which prevailed to the close of this year, and was continued through the early part of the next, till the over-trading brought its natural consequences. We have no account of the total amount of imports and exports for 1813, the records having perished in the fire at the Custom-house.

1814.—The prices of agricultural produce continued low throughout this year. An unusually severe winter had been followed by a cold and ungenial spring, which excited fears for the harvest: and the crops did prove to be both very inferior to those of the preceding year in quantity, and to be considerably damaged by blight and mildew; but the large

* History of Prices, I. 345.

surplus from the last harvest, aided by an importation of foreign corn, amounting to 800,000 quarters of wheat, and about as much oats, together with the increased breadth of cultivation, kept down the markets, and the average price of wheat, which was 68s. 4d. in July, although it rose to 78s. 6d. in September, had declined again by December to 70s. 4d. The price of butchers' meat, however, had continued to rise, and was higher throughout 1814 than it had ever been before, except for a few months in 1800. The speculation in exportable commodities also reached its height in the spring of this year, and the prices of all such commodities rose, some-
to an unexampled height. Thus, comparing 1811 and the early part of 1812 with 1813 and the first months of 1814, it appears that Jamaica coffee had advanced in the interval between these two periods from 54s. and 73s. per cwt. to 118s. and 142s.; St. Domingo coffee, from 36s. and 42s. to 116s. and 126s.; sugar (general average), from 34s. 11d. to 97s. 2d.; white Havannah sugar, from 30s. and 46s. to 110s. and 134s.; bowed Georgia cotton, from 7d. and 9d. per lb. to 2s. 4d. and 2s. 6d.; cochineal, from 29s. and 31s. to 47s. and 52s.; indigo, from 8s. and 9s. 6d. to 12s. and 16s.; black pepper, from 7d. and 7½d. to 20d. and 21d.; Virginia tobacco, from 2d. and 7d. to 1s. 10d. and 5s. 6d.; logwood, from 10*l.* or 11*l.* to 22*l.* or 23*l.* A great advance in like manner took place in various native productions in demand abroad, such as alum, lead, and tin, and also in many descriptions of manufactures, which had at last the effect of considerably elevating wages in that department of industry. But after a time the inevitable reverse came. It is thus described, and its progress traced, by Mr. Tooke:—"The shippers found to their cost, when it was too late, that the effective demand on the Continent for colonial produce and British manufactures had been greatly overrated; for, whatever might be the desire of the foreign consumers to possess articles so long out of their reach, they were limited in their means of purchase; and, accordingly, the bulk of the commodities exported brought very inadequate returns. The low prices, which alone the consumers abroad were able to pay, were still farther reduced in value by the advance of exchanges, which was accelerated by the very extent of those shipments." The loss upon many of the shipments to the Continent, Mr. Tooke states, was, as he has reason to believe, *not less than 50 per cent.* "In some few instances," he adds, "by rare good fortune, there might be a gain, but in

many there was a total loss. Cases of more aggravated loss occurred where the shippers, unwilling to incur so heavy a sacrifice as would be entailed by remittances, at an exchange becoming daily more unfavourable for them, were induced to receive returns in goods, which, from this and other causes, coming in excessive quantities, could not be sold here within 30, 40, and sometimes 50 per cent. of the cost; a process by which, including loss of interest, it may easily be conceived that the whole value of the original investment might be nearly absorbed.* The consequence was, that many bankruptcies took place towards the close of the year; and the number continued to increase, from the same cause, throughout the next year, and during part of 1816. Many of the traders who were thus ruined were persons who, carried away by the mania of the time, had gone out of their proper line of business to speculate in exports. "Many retail tradesmen, who failed in 1814 and 1815," Mr. Tooke elsewhere observes, "were, upon a disclosure of their accounts, found to have been concerned in shipments of sugar and coffee to the Continent. The contagion spread to the outports (of these Leith and Hull were most prominent); and it was said that a large proportion of the shopkeepers residing in them who failed at that time owed their ruin to having been tempted into speculations of the kind which I have described."† The great events of the early part of this year, the overthrow of Bonaparte and the peace of Paris, completed what remained to be done to open all the Continent of Europe to our commerce; but it was not till the 24th of December that peace was concluded with the United States. The total official value of our imports rose this year to 33,755,264*l.*; that of our exports to 53,573,234*l.* (of which amount 19,365,981*l.* consisted of foreign and colonial merchandise, instead of 9,533,065*l.* in 1812, and 6,117,720*l.* in 1811). The two accounts of the real or declared value of British and Irish produce and manufactures exported now agree, and make the amount this year to have been 45,494,119*l.*; of which only 8,129*l.* is set down as the value of the exports to the United States; that of those to the British North American possessions and the West Indies being 11,429,452*l.* (besides 2,683,151*l.* to South America, and 1,791,167*l.* to the foreign West India Islands), and that of those to the other countries of Europe being 26,869,591*l.*

* History of Prices, ii. 8.

† Id. i. 346.

(divided into 14,113,775*l.* to Northern, and 12,755,816*l.* to Southern Europe).

1815.—The renewal of the war on the return of Bonaparte from Elba, and the enactment of the new corn-law, are regarded by Mr. Tooke as having been two causes which prevented the prices of agricultural produce from falling so much as they would have done in the first six months of this year under the depressing influences of a forward spring and a promising appearance of the crops; but a slight rally which was thus produced gave way after the harvest, which proved to be both abundant and early, and was, in general, well got in. The average price of wheat, which had fallen to 62*s.* 1*d.* in January, and was 70*s.* 4*d.* in May, declined from that point throughout the remainder of the year, till it was only 55*s.* 7*d.* in December, being lower than it had ever been since July, 1804. The original policy of our legislation on the subject of corn, appears, as we have seen, to have been prohibitory of exportation, whatever might be the state of the markets. It was not till about the end of the fourteenth century (in 1394) that exportation was first permitted without an express licence from the crown. In 1463 importation was, for the first time, forbidden, whenever prices should fall below a certain point. In 1670 it was enacted, that so long as the price of the quarter of wheat should be under 53*s.* 4*d.* there should be full liberty of exportation, and no right of importation. In 1689, immediately after the Revolution, a further encouragement was given to exportation by the introduction of the new principle of allowing a bounty upon every quarter of grain exported so long as prices at home were under a certain amount; and, ten years after, the export of corn was entirely relieved from custom-house duty.* There were afterwards several temporary suspensions, in dear years, of the restrictions on importation; but the law continued unaltered till 1773, when, by a new act (the 13 Geo. III., c. 43), the price at which wheat was allowed to be imported on the payment of only a nominal duty of 6*d.* was lowered from 80*s.* to 48*s.*, and the bounty on exportation, hitherto payable so long as the home price did not exceed 48*s.*, was withdrawn as soon as the price should rise to 44*s.*, which was also fixed as the limit at which the liberty of exportation ceased; corresponding regulations being made for the other descriptions of grain. But the act

* See a full detail of the legislation on corn from the earliest period down to 1760 in our Ninth Chapter.

of 1773 was repealed in 1791 by the 31 Geo. III., c. 30, by which the price at which importation could take place at a nominal duty was again raised to 54*s.*, and when the price was under 50*s.* importation was, by a prohibitory duty, prevented altogether; exportation being at the same time allowed (though, in that case, without a bounty) so long as the price should be below 46*s.* instead of 44*s.*, as under the former act. The next corn-law was that already mentioned, passed in 1804 (the 44 Geo. III., c. 109), by which the price at which importation could take place under only a nominal duty was further raised to 66*s.*, and that at which importation was prevented by a prohibitory duty to 63*s.*; the price within which exportation without bounty was allowed being at the same time extended from 46*s.* to 54*s.*, and with the bounty from 44*s.* to 50*s.* After September, 1804, however, the price of the quarter of wheat in the home-market was only once, in November 1807, so low as 66*s.*, till the beginning of the present year, 1815; so that, as we have observed, this act may be said never to have come into operation. Yet, in the apprehension of prices falling on the return of peace, attempts had been made by the landed interest to obtain a new law, greatly increasing the price at which importation should become free, both in 1813 and again in 1814. In the latter year two bills were brought into the House of Commons; one to repeal the bounty and remove all restrictions on exportation; in other words, to repeal all the legislation, whether of restriction or encouragement, in regard to the exportation of corn, and to leave that commodity, like any other, to be disposed of by the owner, without any interference on the part of the public, wherever, either at home or abroad, he thought he could find the best market; the other, to raise the price of wheat at which importation should be allowable at a nominal duty to 86*s.*, the said nominal duty being at the same time raised from 6*d.* to 1*s.* The former bill passed and became the act 54 Geo. III., c. 69; the latter was successfully opposed, and was thrown out in the Commons on the motion for bringing up the report by a majority of 116 to 106. But the attempt of the agricultural interest to obtain additional protection was renewed in the next session; and, after encountering a keen and protracted opposition, a new act was passed (the 55 Geo. III., c. 26), by which, while it was provided that all sorts of foreign corn, meal, or flour, might be imported at all times free of duty in order to be warehoused, its importation for home consumption

tion was wholly prohibited until the price in the home market should have reached 80s. for wheat, 53s. for rye, peas, and beans, 40s. for barley, bear, or bigg, and 26s. for oats; except that corn from any of the British plantations in North America might be imported when wheat was at 67s., rye, peas, and beans, at 44s., barley, bear, or bigg, at 33s., and oats at 22s. And this law of 1815 continued to regulate the trade for the remainder of the present period. All restraints, it ought to be stated, on the free importation and exportation of grain between Great Britain and Ireland had been removed in 1806 by the act 46 Geo. III., c. 97. The aggregate of our foreign commerce was still greater in 1815 than it had been in the preceding year; for, although the total official value of the imports was only 32,987,396*l.*, that of the exports rose to 58,624,550*l.* The increase here was in home produce and manufactures, from 34,207,253*l.* to 42,875,996*l.*: the export of foreign and colonial merchandize had declined from 19,365,981*l.* to 15,748,554*l.* The difference, in fact, was occasioned by two causes; the falling off in the speculative shipments to the Continent (mostly consisting of colonial produce), and the re-opening of the trade with the United States (our exports to which consisted chiefly of our own manufactures). The real value of the total British and Irish produce and manufactures exported in 1815 is stated to have been 51,632,971*l.*; of which to the value of only 20,736,244*l.* was now sent to the other countries of Europe, and that of not less than 13,255,374*l.* was taken by the United States.

1816.—The decline in the prices of all our principal articles of export, including many articles of home as well as of colonial produce, which had been going on throughout 1815, was continued during this year, bringing them down in most cases before the end of the year to a point about midway between what they were in 1813-14 and what they were in 1811-12, in some cases considerably lower. Thus, taking the articles the prices of which have already been compared at these two dates, it appears that in 1816 Jamaica coffee fell to 77*s.* and 104*s.* per cwt., St. Domingo coffee to 62*s.* and 66*s.*, sugar (general average) to 45*s.*, Havannah white sugar to 44*s.* and 50*s.*, bowed Georgia cotton to 1*s.* 2*d.* and 1*s.* 4*d.* per lb., cochineal to 23*s.* and 28*s.*, East India indigo to 8*s.* 9*d.* and 10*s.*, black pepper to 7*d.* and 7½*d.*, Virginia tobacco to 5½*d.* and 10*d.*, logwood to 6*l.* and 6*l.* 10*s.* per

ton.* Copper in like manner fell from 140*l.* in 1813-14 to 85*l.* in 1816; tin from 174*l.* to 102*l.*; lead from 33*l.* and 34*l.* to 18*l.* Ever since our intercourse with the north of Europe had been re-opened, also, Baltic produce had been declining in price; the fall here, as Mr. Tooke remarks, had commenced while exportable productions were rising, and it continued through 1815 and 1816. The shipping interest, too, he proceeds to observe, had, ever since the peace, been undergoing a very considerable depression. The extended sphere for the employment of tonnage afforded by the trade of the north of Europe being now thrown open to British shipping was, he conceives, more than compensated by the greater quickness with which voyages were made in consequence of the discontinuance of the detention of convoys and other impediments arising out of the war, the large amount of tonnage discharged from the transport service, and the reduced cost of ship-building materials. The reduction of the cost of materials had also occasioned a great decline in the value of house property. "Thus," he adds, "there was from 1814 to 1816 [or rather to 1817] a very considerable depression in the prices of nearly all productions, and in the value of all fixed property, entailing a convergence of losses and failures among the agricultural, and commercial, and manufacturing, and mining, and shipping, and building interests, which marked that period as one of most extensive suffering and distress. Of that great and memorable fall of prices the principal part, beyond that which was the effect of the seasons, and a recoil from the extravagant speculations in exportable commodities, is clearly attributable to the transition from war to peace; not from war, as having caused extra demand, but as having obstructed supply and increased the cost of production."† The number of commissions of bankruptcy, which had been only 1612 in 1814, was 2284 in 1815, and this year rose to 2731, of which 37 were against country banks. The average price of wheat fell in January, 1816, to 52*s.* 10*d.*; but then arose, first, a partial demand for export to the Continent, chiefly for the Mediterranean, and then great apprehensions for the next crop, from the inclemency of the spring, which were increased by such a wet and boisterous summer as had not occurred since 1799, and

* See Table in Tooke's History of Prices, ii. 11.

† History of Prices, ii. 12.

were at last fully justified by a harvest both lamentably deficient in quantity and as miserably inferior in quality. Prices now advanced rapidly; the average price of wheat, which had been 55s. 6d. in February, and 74s. 11d. in June, reached 82s. 1d. in August, 90s. 10d. in October, and 103s. 7d. in December. Mr. Tooke holds that the rise would have been still greater, had it not been for the large surplus that remained from former seasons; for the harvests of Germany, France, and the south of Europe had been no better than our own, and, notwithstanding the high prices, the balance of our imports of wheat for the whole year did not exceed 100,000 quarters. The official value of our total imports of foreign and colonial merchandize fell, this year, to 27,531,604*l.*; that of our exports to 49,197,850*l.* The real value of British and Irish produce and manufactures exported is stated to have been 41,657,858*l.*; the falling off, in comparison with the last year, being chiefly in the exports to the south of Europe (from 8,764,552*l.* to 7,284,469*l.*), to the United States (from 13,255,374*l.* to 9,556,577*l.*), and to the West Indies and British North America (from 10,687,551*l.* to 7,016,410*l.*).

1817.—The season of 1816-17 in France was almost a period of actual famine; and the consequence was that, high as the prices were in this country, large purchases of wheat were made here in the spring of this year for the French government. It is calculated that the whole quantity then shipped to that country from this did not fall short of 300,000 quarters. Up to the middle of June, too, the weather was unpropitious, and the crops were thought to wear an unfavourable appearance. From these causes the prices of agricultural produce, high as they had risen in the latter part of the last year, continued to mount still higher throughout the first half of this; the average price of wheat, which was 104s. 1d. in January, having become 112s. 8d. in June. But after this the weather both in France and here suddenly underwent a great change for the better, and, the appearance of the crops becoming luxuriant and promising, the average price of wheat fell in July to 102s. 4d., in August to 86s. 5d., and in September to 78s. 8d., a rate which closed the ports. The harvest, however, had been late, and probably somewhat deficient, and when samples of the new wheat were brought to market it was found that the quality was inferior, and that the grain, from being damp, was unfit for immediate use; while at the same time

there was scarcely any surplus remaining from the scanty crop of the last year. Prices, accordingly, rose towards the end of the year: the average price of wheat was such as to open the ports again in November, and it reached 84s. in December. Meanwhile in other articles a general rise of prices had been going on ever since the close of the last year. "The very low prices of 1815 and 1816," to quote Mr. Tooke's explanation, "had induced a greatly increased consumption. The stocks of importers, dealers, and manufacturers had become greatly reduced; and a general confidence began to prevail among the best informed persons in the several branches of trade that prices had, for that period, seen their lowest, inasmuch as the stock in hand of most of the leading articles had become manifestly below the average rate of consumption."* Some of the causes of the falling-off of supply he states to have been, the disinclination which had been produced in the preceding year to embark to the usual extent in fresh importations by the great fall of prices since 1813; and coincident with this a very unpropitious season, not only in this country, but over a great part of Europe, occasioning a failure of the vintage in France, and reducing the produce of silk and oil in Italy, besides directly or indirectly affecting flax, tallow, wool, hops, and many other articles. Thus the imports of silk had declined from 1,800,333 lbs. in 1815, to 1,137,922 lbs. in 1816; of wool, from 14,991,713 lbs. in 1815 to 8,117,864 lbs. in 1816; of coffee, from 815,440 cwt. in 1815 to 499,075 cwt. in 1816; of hemp, from 36,575 tons in 1815 to 18,473 tons in 1816; of flax, from 17,550 tons in 1815 to 12,371 tons in 1816; of tallow, from 32,082 tons in 1815 to 20,858 tons in 1816; of linseed, from 766,983 bushels in 1815 (the quantity imported in 1814 had been 1,364,959 bushels) to 567,138 bushels in 1816. There occurred also a nearly total failure of the northern whale-fishery, both in 1816 and 1817. "Such a falling-off of supply," Mr. Tooke goes on to observe, "was naturally calculated to attract attention during the progress of the importations; and, when these were understood to be deficient in so great a degree, a general disposition among dealers to lay in stocks became evident: such a state of things is usually the precursor of a spirit of speculation. This, therefore, although not yet developed at the close of 1816, was then on

* History of Prices, II. 21.

the eve of displaying itself, and the full effect was exhibited in the great rise of prices which took place in 1817 and in 1818 of some of the articles of which there was so marked a deficiency of supply. The most striking instances of advance were silks, coffee, tallow, linseed, and oils, which in the course of 1817 and 1818 experienced a rise of 50 to 100 per cent. from their lowest point of previous depression." * "In 1815 and the early part of 1816," he adds, "the exports from this country had been made with great forbearance and prudence, because almost every class of merchants was at that time suffering from the effects of the too great eagerness of adventure of the two preceding years: this general forbearance was, of course, attended by a large profit to those who adventured; and the consequence of the favourable result of shipments on a small scale was, as usual on such occasions, not only that the houses regularly in the trade extended their shipments, but that fresh adventurers embarked in them to a considerable extent." † The total official value of the imports rose this year to 30,834,299*l.*; that of the exports to 50,404,111*l.*; there having been, along with a falling-off in the exports of foreign and colonial merchandize from 13,480,780*l.* in 1816 to 10,292,684*l.*, an increase in those of British and Irish produce and manufactures from 35,717,070*l.* to 40,111,427*l.* Yet the real value of the latter is stated to have been only 41,761,132*l.*, or no more than in the preceding year.‡ If this account is to be depended on, while the prices of imported articles were generally rising throughout the present year, those of our home produce and manufactures must have undergone a very considerable decline, to the extent of not less on the whole than about 15 per cent. The real value of the British and Irish produce and manufactures exported this year to the United States is set down at only 6,930,359*l.*: there was a slight increase in the amounts sent to most other parts of the world, more especially to the rest of America and the West Indies, and to Asia.

1818.—The weather throughout the greater part of this year, first a rather wet spring, then an almost uninterrupted drought from the middle of May till the middle of September, excited considerable fears for the crops, and the effect was, that not only the prices of agricultural produce fully

* History of Prices, ii. 25.

† Id. p. 26.

‡ Table in Porter's Progress of the Nation, p. 98. In Mr. Porter's second table, p. 102, the amount is stated as only 41,492,312*l.*

maintained for the first six or seven months of the year the height to which they had risen in the preceding December, but that large quantities of wheat (upwards of 1,500,000 qrs. in all) were brought from abroad. The average price of wheat was 84s. 10d. in January, 89s. 8d. in April, and 86s. 6d. in July. The harvest, however, turned out a less deficient one than had been looked for; and the price of wheat declined to 81s. 3d. in August, and in December was only 80s. 8d. But the prices of all other descriptions of grain were still higher at the close of 1818 than they had been at the close of 1817;—barley, which in 1817 had been at 45s. 11d., was now at 63s. 6d.; oats, which had been then 27s. 10d., were now 35s. 1d.; beans had risen from 54s. 10d. to 76s.; peas, from 52s. 11d. to 70s.* The extraordinary character of the season had given rise, Mr. Tooke states, “to extensive speculations on the apprehended scarcity of several descriptions of produce, such as spring-corn and the leguminous tribes, which were supposed to be irretrievably destroyed by the great drought; and this circumstance, he observes, contributed, with the deficiency of imported produce, greatly to extend the sphere of speculation.” In the latter part of the year, however, he proceeds, “the causes of casual scarcity of supply, which, as has been seen, had been the occasion of the high prices, had ceased to operate, and a change was thenceforward in progress, tending to the restoration of abundance, and to the consequent subsidence of prices. This tendency had already become manifest in most articles at the close of 1818.”† In a subsequent page a comparative table is given of the imports of various leading articles in 1817 and 1818; from which it appears that the imports of silk rose from 1,177,693 lbs. in 1817, to 2,101,618 lbs. in 1818; of wool, from 14,715,843 lbs. in 1817 to 26,405,486 lbs. in 1818; of cotton, from 124,912,968 lbs. in 1817 to 177,282,158 lbs. in 1818; of hemp, from 22,863 tons in 1817 to 33,020 tons in 1818; of tallow, from 19,298 tons in 1817 to 27,149 tons in 1818; of linseed, from 162,759 quarters in 1817 to 237,141 quarters in 1818. The total official value of the imports in 1818 was 36,885,182l.; that

* Tooke's *History of Prices*, ii. 23. Mr. Tooke, in this place, calculating by the imperial measure, states the average price of wheat at the close of 1818 to have been 78s. 10d. We shall adhere throughout to the Winchester quarter, according to which the averages for every month, from 1793 to 1837 inclusively, are given by him in a table at page 280.

† Id. p. 27.

of the exports 53,560,438*l.*, of which 42,700,521*l.* is set down to the account of British and Irish produce and manufactures. The real value of the British and Irish produce and manufactures exported is stated to have been 46,112,800*l.*, which, measured by the official estimate of quantity, would imply a considerable rise of prices in such goods in the course of this year. The increase of exports of home produce and manufactures was chiefly to the United States, to which there was now sent to the value of 9,451,009*l.*, and to South America, to which there was sent to the value of 3,995,757*l.* (the value sent in 1817 being only 2,651,337*l.*).

1819.—The winter of 1818-1819 was remarkably mild, the spring that succeeded was very forward, and the favourable appearances of the crops were followed by a harvest of at least average productiveness. In these circumstances, and after the large importations of the preceding year, the prices of agricultural produce naturally fell: the average price of wheat, which was 79*s.* 3*d.* in January, was 68*s.* 10*d.* in June, and, although it afterwards rallied so far for a few weeks as to reach 75*s.* in August, it had fallen again by December to 66*s.* 3*d.*, with a tendency to a still farther decline, which went on, as we shall find, with little interruption for the next three years, till it sank to not much more than the half of that height. Now, also, in the beginning of this year began to be experienced the natural consequences of the over-importation of nearly all descriptions of goods in the preceding year. It appears that the entire quantity of colonial and foreign produce imported and retained for home consumption in 1818 was nearly a third greater than in 1817, and more than twice as great as in 1816.* Hence a great fall in the prices of all descriptions of such produce, and of course the ruin of great numbers of the importing speculators. “The largest,” says Mr. Tooke, “in point of amount of the articles of which there was so great an excess of the importation was cotton: and it was in this article that the fall in price was the greatest, and the failures among those concerned in it, consequently, the most extensive. The error usual on such occasions had been committed; the stocks on the spot had been greatly reduced in 1816, and a rise of price of this reduced stock was perfectly justified; but then, as in more recent instances, the advanced price was not confined to the small stocks on the spot, but was paid for large

* See Comparative Statement in Tooke's History of Prices, ii. 68.

quantities in the countries of growth, to be shipped hither."* Bow^d Georgia cotton now fell from 1s. 10d. per lb., which it had reached between 1816 and 1818, to 1s. "The result of over-trading on so large a scale," continues Mr. Tooke, "was experienced in numerous and extensive failures, which began in the latter part of 1818, and continued more or less through the earlier part of 1819. Importers, speculators, and manufacturers were successively ruined by having embarked too largely upon the anticipation of the maintenance of the former range of high prices. There were also very extensive failures in New York, but more especially in Charlestown, and other southern ports of the United States, at the close of 1818, and at the commencement of 1819." Before the autumn of 1819, however, every vestige of commercial discredit had disappeared; although prices, with few exceptions, continued to decline for several years from other causes. "The sources of supply of all the raw materials of our principal manufactures," Mr. Tooke observes, "were experiencing a progressive extension, at a diminished cost of production; and, although there had been, in the two or three years immediately following 1818, a slight falling-off in the amount of imports of some of the articles, there was a progressive increase on the average of three years, compared with the average of any preceding three years."[†] In February of this year committees of inquiry into the state of the currency were appointed by both Houses of Parliament, with the avowed object on the part of the government of taking measures for the resumption of payments in cash by the Bank of England; and the act for that purpose, the 59 Geo. III., c. 78, commonly called Peel's Act, was passed in the course of the same session. But these proceedings do not appear to have had any effect whatever at the time either upon prices or upon the circulation. In fact, as Mr. Tooke has observed, had it not been for the derangement of our currency occasioned by the large financial operations of the continental states in 1817 and 1818, in which two years loans were raised by France, Prussia, Austria, and Russia to the amount of 38,600,000*l.*, "the resumption of cash payments, in this country, would have taken place as a matter of course in 1818."[‡] The total official value of our imports fell again in 1819 to 30,776,810*l.*; and that of our

* *History of Prices*, ii. 71.

[†] Id. ii. 79.

[‡] Id. ii. 94.

exports was only 43,438,989*l.*; that of the exports of British and Irish produce and manufactures being reduced to 33,534,176*l.* The real or declared value of the British and Irish produce and manufactures exported in this year is stated to have been 34,881,727*l.*; the diminution of such exports extending to all parts of the world, but in the greatest degree to the United States (the amount sent to which was only 4,929,815*l.*), to the British North American Colonies, the West Indies, and Central and South America. The value sent to the North of Europe was reduced from 11,809,243*l.* to 9,825,397*l.*; that sent to the South of Europe, from 7,630,139*l.* to 6,895,255*l.*

1820.—A rather rigorous winter in 1819-1820, followed by a cold and backward spring, gradually raised the prices of agricultural produce, till, after a slight depression occasioned by a few fine days in the latter part of June, the average price of wheat had risen by August to 7*s.* 5*d.* The weather now, however, became steadily brilliant and genial, and the crop proved both one of the most abundant and one of the finest quality ever known. The consequence was progressive diminution of prices, till the average price of wheat had fallen, by the end of the year, to 5*s.* 6*d.* Mr. Tooke is of opinion that the actual circumstances of the case might very well have produced a still greater declension. The crop appears to have been full a third above an average one; "but it was not," he observes, "till the following two or three years, during which wheat of the harvest of 1820 continued to appear in the markets, that the exuberant produce of that season became generally known."^{*} The total official value of our imports rose in 1820 to 32,438,650*l.*; and that of our exports to 48,951,537*l.*, of which the British and Irish produce and manufactures amounted to 38,395,625*l.* The real or declared value of the British and Irish produce and manufactures exported is set down at 36,126,322*l.*; there being an increase of such exports, as compared with the preceding year, to all parts of the world, except only the United States of America, to which there was a falling-off from 4,929,815*l.* to 3,875,286*l.*, and the British West Indies and North American Colonies, to which there was also a falling-off from 6,861,314*l.* to 5,756,864*l.* There was an increase to the Northern States of Europe from 9,895,397*l.* to 11,289,891*l.*; to the South of Europe from 6,895,255*l.* to 7,139,612*l.*; and to Asia from 2,715,018*l.* to 3,810,290*l.*

^{*} History of Prices, ii. 83.

1821.—A mild winter in 1820-21, and a rather forward spring, had the effect of continuing the decline of prices, till, in July 1821, the average price of wheat had fallen to 51*s.* That month, however, was showery and cold ; and the prevalence of wet weather occasioned such apprehensions in regard to the harvest, that a speculative rise now took place, which by September reached 62*s. 3d.* But when it was found that, although the condition of the wheat had suffered considerably, the produce was nevertheless of much more than average amount, while there were also still large quantities of old corn coming forward, this upward tendency was checked and reversed, so that by December the average price had fallen to 49*s.* ; and the decline, as we shall find presently, did not stop at that point. For this, however, there were two causes : "The quality of all the wheat of 1821," says Mr. Tooke, "was very inferior ; and this inferiority of quality is to be taken into consideration in the comparative view of the low averages of the following year." And he quotes the evidence given before the Lords' Committee on Agriculture in 1836, by Joseph Sanders, Esq., who, when asked to what he attributed the fall of corn in 1822, answered, "to the very extraordinary crop in the year 1820, and to the very singular crop in the year 1821 ;—1821 was a crop on the largest scale ; I hardly ever knew a larger crop ; but it was very much damaged in quality by rain ; the quality was injured, and the value was lowered in the market." The outcry of agricultural distress, which always rises upon a decline of prices, had by the beginning of this year waxed so strong, that in March a committee was appointed by the House of Commons to inquire into the causes of the alleged state of things, and the means of remedy ; but, although it presented a very able report, nothing was for the present actually done in the matter. The official value of the imports declined this year to 30,792,760*l.* ; but that of the exports rose to 41,461,433*l.*, of which the exports of British and Irish produce and manufactures amounted to 40,831,744*l.* The real or declared value of British and Irish produce and manufactures exported is stated, however, to have been only 36,333,102*l.*, or very little more than that of the preceding year. The low prices of food had therefore, as usually happens, been accompanied by a fall in the prices of other home produce, produced perhaps, in part, by a fall of wages, in part by the more eager rivalry and underselling incident to a glut of capital and a low rate of interest. The man-

remarkable points of difference between the export trade of this and the last year were, that the real value of the exports to Northern Europe was now only 9,044,155*l.*, and of those to Southern Europe only 6,859,287*l.*; but that those to the United States of America had increased to 6,214,875*l.* This year is memorable for the proposal now first made by the Government to abandon the restrictive principle of the Navigation Laws, which had regulated our commercial policy ever since the time of the Commonwealth. The measures intended to be adopted to consolidate as well as to liberalize the vast body of laws (nearly 2000 in number) relating to both the foreign and the home trade of the country, were explained to the House of Commons on the 25th of June, by Mr. (afterwards Lord) Wallace, vice-president of the Board of Trade; but the motion with which he concluded for the present only went the length of asking leave to bring in the necessary bills, which was granted.

The act of 1819 had provided that the resumption of cash payments should take place in 1823. In point of fact, however, the Bank exchanged its notes for gold on demand from the 1st of May, 1821. The actual duration of the suspension, therefore, was about twenty-four years. No demonstration in economical science can be more complete than that which has been given by Mr. Tooke in the admirable work to which we have so often had occasion to refer, of the groundlessness of the notion, so clamorously maintained by a certain sect of politicians, or political economists, that the great rise of prices experienced throughout a portion of this space was the effect of the state of the circulation. He has shown that there is no parallelism whatever between the amount of the issues of the Bank during the suspension, and the course of prices which they are supposed to have affected or determined. Prices sometimes fell, under this state of the currency, while the Bank was extending its issues, and at other times rose while it was contracting them. But what is still more decisive is the fact, that, for the most part, neither the rise nor the fall of prices was general; but, while one class of commodities became dearer, another class at the same time became cheaper. Nor was there, in point of fact, either generally, or in any particular region of prices, such a rise or steadily maintained elevation as the theory assumes to have been produced by the increase of the Bank issues: as there were occasional dear years in what is looked upon by this theory as the era of low prices, so there were

several cheap years in what is described as the succeeding era of excessive issues and high prices. Even the slight and imperfect sketch that has been given above of the history of our commerce during the suspension, the materials of which have been chiefly taken from Mr. Tooke's work, sufficiently indicates the true origin and regulating causes of these fluctuations. The low prices were in all cases the effect of abundance, the high prices of scarcity—of abundance and scarcity, either real or apprehended; and the abundance or the scarcity was occasioned, not by the issues of the Bank at all, but by the variations of the seasons, and the other circumstances affecting production, and by the greater or less success of the measures that were taken on the one hand to prevent, on the other to carry on and extend, commercial intercourse. The only way in which the Bank can have ever aided in elevating prices is, that it may have sometimes by an increase of its issues encouraged and assisted the speculative over-trading of the moment; but no permanent elevation of prices could have been thus produced; for, as may be seen from the rapid chronological survey that has just been taken, if such speculation raises prices at first, its inevitable result in the end, and usually after a very short time, is to bring about a fall at least equal to the rise. The commodities the high price and scanty stocks of which tempted speculation are soon made plentiful and cheap by the over-importation or over-production, in one or other of which the speculative trading must have consisted or issued. The truth is, that the Bank had no power to do what it is often charged with having done under the suspension of cash payments, namely, to issue any quantity of paper it chose. The fact appears to be, that it is only a certain amount of currency, whatever be its description, whether it be in specie or in paper, which a country can be made to maintain at any particular time: money, in whatever form, is merely a commodity, of which the community at any particular moment wants only so much, and will not be forced to employ or absorb, or, as we should say in the case of any other commodity, to consume, a larger quantity. Individual speculators, of course, will take as much as they can get of this, or of any other article; but what we mean is, that no more than a certain quantity can be thrown into and kept in general circulation. Whether it be in the form of specie or of paper, the over-issue, or excess however produced, will infallibly be thrown off, just as a superfluous quantity of any

of the ingredients would be rejected and left inactive in a chemical mixture. There is a point of saturation as invincible in the one case as in the other. One of the ways, it is true, in which the excess of an inconvertible paper currency may be partially corrected, is by the paper becoming depreciated, or losing part of its value as measured in specie. And this did, to some extent, befall the paper of the Bank of England during a portion of the time over which the suspension of payments in cash extended. The rule, as on several occasions stated by themselves, upon which the directors then acted in regulating the amount of their issues, was to look simply to the demand for the discount of good bills at five per cent. The state of the exchanges with other countries they avowedly disregarded. If they had always contracted their issues when the foreign exchanges were falling, whatever might have been the number of bills presented to them for discount at the arbitrary rate of interest they had fixed upon, it is probable that the immediate inconvertibility of their paper might not have affected its value at all. The effect of the principle they followed was, in truth, to leave the amount of the circulation to be determined mainly by the fluctuations in the current rate of interest, the rise of that rate at any moment to or beyond five per cent. bringing about the demand for an extension of their issues to which they were accustomed to yield. In this way they probably in some cases encouraged the spirit of speculation which it would have been better for the public that they should have checked; and they were also undoubtedly led to give an undue enlargement to the circulation to some extent, the effect of which was a certain depreciation of Bank paper. But, after all, this effect was probably produced more by the advances of the Bank to government than by its discount of private bills. No difference between the value of paper and that of gold was experienced till 1801, the ounce of gold down to that year bringing in the market no higher price in Bank paper than 3*l.* 17*s.* 10*d.*, its mint value. In 1801, however, taking the average of the year, an ounce of gold was not to be obtained for less than 4*l.* 5*s.* in Bank currency, indicating a depreciation of the latter to the extent of 8*l.* 7*s.* 8*d.* per cent.; in 1802 the average percentage of depreciation was reduced to 7*l.* 5*s.* 10*d.*; from 1803 to 1809 inclusive it was only 2*l.* 13*s.* 2*d.*; in 1810 it rose to 13*l.* 9*s.* 6*d.*; in 1811 it was 7*l.* 16*s.* 10*d.* (when Mr. Vansittart got the House of Commons to pass his famous third resolution, the

Bank notes had hitherto been, and were then, held to be equivalent to the legal coin of the realm); in 1812 it was 20*l.* 14*s.* 9*d.*; in 1813 it was 22*l.* 18*s.*; in 1814 it was 25*l.* 2*s.* 6*d.*; that is to say, an ounce of gold could not at that time be purchased for less than 5*l.* 4*s.* in Bank paper. This, however, was the extreme point to which the depreciation went; in 1815 and 1816 it was only 16*l.* 14*s.* 3*d.*; in 1817 it was reduced to 2*l.* 13*s.* 2*d.*; in 1819 it rose again to 4*l.* 9*s.*; but in 1820 it fell to 2*l.* 12*s.*; and in 1821, on the resumption of cash payments, Bank paper rose to the full value of gold. We are not, however, entitled to assume that even the excess of value which gold appears from this account to have, in point of fact, maintained over Bank paper during the twenty years from 1801 to 1820 inclusive was wholly the consequence of the over-issue of Bank paper. Part of it may very possibly have arisen from a temporary scarcity of, or, which is the same thing, an extraordinary demand for, gold, which would have raised the market price of that metal above the mint price under any state of the circulation. As for the issues of the Bank, it is to be remembered that, although the immediate convertibility of the paper into gold was suspended, they never were made except under the responsibility imposed by the expectation that the system of cash payments would be ultimately resumed. A few theorists, or a portion of the public, may have doubted if the resumption would ever be effected or attempted; but there is no reason to suppose that either the government or the Bank directors ever had any doubt about the matter. We gave in the last chapter an account of the average amount of Bank paper in circulation at various periods down to 1801. On the 31st of August in that year, as there stated, the entire amount of Bank paper in circulation, including both Bank notes and Bank post-bills, was 14,556,110*l.* On the same day in 1806 it was 21,027,470*l.*; but in 1808 it had been reduced again to 17,111,290*l.* On the 31st of August, 1810, however, it was 24,793,990*l.*; in 1814 it was 28,368,290*l.*; and in 1817 it was 29,543,780*l.* This was the highest amount it ever reached; by the 31st of August, 1819, it had declined to 25,252,690*l.*; and on the 26th of February, 1820, it was only 23,569,150*l.* The quantity of country-bank paper was also, of course, considerably augmented during the suspension of cash payments; but, after all, the entire increase of the paper currency that took place was probably very little greater than was fairly demanded by the nearly

complete withdrawal of gold from the circulation, by the growth of the population, and by the extension of commercial transactions. The amount of bullion in the coffers of the Bank, which had been 7,000,780*l.* on the 31st of August, 1799, gradually declined till it was only 3,592,500*l.* in 1803. From this point of depression it rose to be 7,624,500*l.* in 1805; and in 1808 it was still 6,015,940*l.* In 1809, however, it was only 3,652,480*l.*; and by 1814 it had sunk to 2,097,680*l.* It was never again quite so low as this, though it varied much in subsequent years; having been 7,562,780*l.* in 1816, 11,668,260*l.* in 1817, 6,363,160*l.* in 1818, 3,595,360*l.* in 1819, and, again, 8,211,080*l.* in August 1820. But it often underwent great fluctuations even in the course of the same year. Since the resumption of cash payments, and the consequent regulation of the currency principally through the action of the foreign exchanges, that is to say, its increase during a favourable state of the exchanges, when bullion is sent to the Bank to be exchanged for notes, and its diminution by the demand for gold in the opposite state of things, the directors profess to have, as far as possible, made it a rule to have always as much coin and bullion in their coffers as should together amount, when the exchange is at par, to a third part of the Bank's liabilities, including deposits as well as issues. In 1816 the capital of the Bank was raised to 14,553,000*l.*; and in 1807 the dividends had been raised to 10 per cent., at which rate they remained till 1823, when they were reduced to 8 per cent. In 1833 the privileges of the Bank were renewed and continued, with modifications, to August 1844.

1822.—A continuance of the same circumstances which had characterized the two last years produced, in an increased degree, the same effects in this. “The season of 1822,” to quote Mr. Tooke’s description, “was throughout remarkably fine; a mild winter, a genial spring, and a hot summer. The spring crops suffered from drought, but the wheats were universally good in quality, and proved to be of full average produce; and as they were secured early, and in condition for immediate use, the markets were very largely supplied with new corn, while there was still a great bulk of old of inferior quality pressing for sale. And, while there was thus a great pressure on the markets of the supplies of the growth of Britain, the imports from Ireland had acquired an extension beyond all expectation: thus, in 1820 and 1821, the importation of wheat alone amounted to near

one million of quarters, whereas in 1817 there had been a *balance of export to Ireland*, and in 1818 the balance of imports was only 100,638 quarters."* A regular decline of prices, accordingly, went on throughout the year, till by December, the average price of wheat had fallen to 38s. 11d. The prices of meat were also greatly reduced, and by a similar cause, the abundance of cattle brought to market: the neat cattle sold at Smithfield, which in 1820 were only 132,933, in 1822 were 142,043; the sheep and lambs, which were only 947,990 in 1820, were 1,340,160 in 1822; and in Liverpool, Hull, and all the other markets in England, the increase was equally great.† The fact has been broadly denied, but it is clearly established by Mr. Tooke that the fall in the prices, not only of corn, but of most other articles of consumption, between 1817 and 1822, was still greater in France and throughout most of the continent of Europe than in this country. "And it is to be observed," he adds, after giving his proofs, "that these were prices not acted upon by any influence from hence, inasmuch as the principal rise of them had not been preceded by any demand for export hither, and the fall was so much greater and more rapid than that which had occurred here; besides that the places were few of them in direct communication for the purposes of the corn trade with this country. In none of the states in which this great transition from high to low prices took place, does it seem to have occurred to the government, or to their subjects, that it had its origin in any but the very obvious causes; namely, the change from bad to plentiful seasons, and the removal of obstructions to foreign supplies."‡ A second committee of the House of Commons was appointed early this year to inquire into the complaints of the agricultural interest; and, upon its recommendation, parliament passed a new corn law, professing to relax the law of 1815, by allowing importation when the price of the quarter of wheat should reach 70s., instead of 80s., and with a proportionate reduction for other grain; but in reality extending instead of contracting the limit of prohibition, by raising the duty to 17s. on wheat (and proportionally on other grain) for the first three months after the opening of the ports, if the price should continue under 80s., to be reduced to 12s. only after the expiration of that term, to 10s. for the first three months after the price should have come to range be-

* *History of Prices*, ii. 81.

† *Id.* p. 85.

‡ *Id.* pp. 88-92.

tween 80*s.* and 85*s.*, to 5*s.* after the expiration of that term with such range of prices, and to 1*s.* only after the price should have reached 85*s.* In point of fact, therefore, the price at which importation became free, or was allowed on the payment of a nominal duty, was raised by this act from 80*s.* to 85*s.* But it was provided that the new law should not come into operation until the ports should be open under the law of 1815, by the average price of wheat reaching 80*s.*; and this did not happen so long as the act of 1822 remained in force, so that it never actually came into operation. Another plan that was adopted by the government under the pressure of the demands made upon them by the agricultural interest, was to propose to parliament, immediately after the opening of the session in February, certain resolutions authorizing an issue of exchequer bills to the amount of 4,000,000*l.*, to be advanced in loans to parishes, and for the promotion of public works. "This notable scheme," observes Mr. Tooke, "was with a view, as it was intimated, of enlarging the circulation and stimulating speculation, or, in other words, raising prices: the resolutions were passed, and the powers were granted; but they failed egregiously of the proposed effect. The circulation of bank-notes, an increase of which was the professed object of the measure, was diminished instead of being enlarged, between February and August 1822; and, although the securities of the Bank were increased by 1,200,000*l.* in August, as compared with February, 1822, that increase was more than compensated by an increase, on the other hand, of the deposits to the amount of 1,700,000*l.* But the main purpose, namely, that of raising prices, was so far from being accomplished, that they fell progressively to the end of the year, and a twelvemonth elapsed before, from totally distinct causes, the prices of provisions experienced the so much desired advance."* But in fact, the alleged distress was felt by nobody except holders of grain: to the bulk of the community the cheapness of provisions was of course the greatest of blessings. In the very speech in which he introduced the above-mentioned resolutions to the House of Lords (on the 26th of February), Lord Liverpool admitted this, and stated some strong facts which proved it beyond dispute. The revenue of 1821, he told their lordships, although no new taxes had been laid on, had exceeded that of the preceding year by more than a million sterling.

* History of Prices, ii. 106.

"And how," he added, "has this revenue been collected? with what degree of pressure upon the people? In answer, I can positively assert, that there never was any year's revenue collected with less difficulty or arrear. Out of about 27,000,000*l.* of excise duties, to be collected within the year, there is not a deficiency of more than 5,000*l.*, and even of that residue there is a prospect that the greater part will be collected. So that not only has the revenue increased, not only does it continue to increase, but it appears to press more lightly on the people than at many former periods." The official value of the imports this year was nearly the same as the last, being 30,500,094*l.*; that of the exports rose to 53,464,122*l.*, of which the British and Irish produce and manufactures amounted to not less than 44,236,533*l.* But the great fall in the prices of all sorts of commodities that had taken place is shown by the real value of such home produce and manufactures exported in 1822 being only 36,650,039*l.*, or about the same as the real value of those exported in 1821, the quantity of which was so much less. The most considerable variation, in other respects, between the two years, was that the value of the exports to the South of Europe, which had been 6,859,287*l.* in 1821, was increased to 8,273,986*l.* in 1822. The propositions for the improvement of our commercial system, which had been announced by ministers last session, were this year adopted by Parliament, and embodied in five acts. The first (3 Geo. IV. c. 41), entitled "An Act to repeal divers ancient Statutes, and parts of Statutes, so far as they relate to the importation and exportation of goods and merchandize from and to foreign countries," swept away above two hundred old laws passed between the reign of Edward III. and the Restoration, most of which, however, although they continued to encumber the statute-book, had long been practically obsolete and forgotten. The second (3 Geo. IV. c. 42), entitled "An Act to repeal certain Acts and parts of Acts relating to the importation of goods and merchandize," repealed the several clauses of the Navigation Law of the 12th of Charles II. which prohibited goods the produce or manufacture of Asia, Africa, or America, from being imported into England except in English ships, which enacted that no foreign goods which should be brought into England otherwise than in English ships should be shipped from any other place but the place of their growth, production, or manufacture, and which related to the importation of certain

enumerated and Turkish goods, of goods from Russia, the Levant, Spain, Portugal, the Western Isles, Madeira, and the Canary Islands; and also various subsequent acts, founded upon, and carrying out the principle of, these original restrictions. The third (3 Geo. IV. c. 43), entitled "An Act for the encouragement of Navigation and Commerce, by regulating the importation of goods and merchandise, so far as relates to the countries or places from whence and the ships in which such importation shall be made," so far modified the old Navigation Laws as to allow enumerated goods to be brought direct from any port in Europe in foreign ships, provided the ships belonged to the port in question; to place Holland and the Netherlands on the same footing with other countries by permitting their produce and manufactures to enter our ports in their own as well as in British vessels; and to allow British ships to bring the produce of Asia, Africa, or America from any place in Europe for re-exportation. The fourth (3 Geo. IV. c. 44), entitled "An Act to regulate the trade between his Majesty's possessions in America and the West Indies, and other places in America and the West Indies," repealed many old laws relating to this matter, and permitted the importation, under certain duties, and into certain specified ports, of certain enumerated articles from any foreign West Indian or American possession, either in British vessels or in vessels owned by the inhabitants of such foreign possession, and the re-exportation of such articles to any other British Colony or to the United Kingdom. It also provided that there might be exported from the said ports, under certain conditions, either in British or foreign vessels, any articles which had been legally imported, or which were of the produce or manufacture of any part of his Majesty's dominions. Finally, the fifth (3 Geo. IV. c. 45), entitled "An Act to regulate the trade between his Majesty's possessions in America and the West Indies, and other parts of the world," also repealed many existing laws, and declared that it should be lawful to export from any colony, in British ships, to any foreign port in Europe or Africa, any articles which had been legally imported into the country, or were of its own growth or manufacture, and also to export certain enumerated articles to any colony in British ships from any foreign port in Europe or in Africa.

1823.—With this year commences a new range of the prices of food, which, as we have seen, had, under the influence

ence of a succession of favourable seasons and abundant or more than average harvests, been falling, with scarcely any interruption, ever since 1817. The average price of wheat rose in January, 1823, to 40s. 4d., and in February to 40s. 8d. This, says Mr. Tooke, "was mainly the effect of the necessarily increasing proportion of the superior new to the very inferior old coming to market." "And," he adds, "a [part of the further advance was ascribed in the contemporary accounts, and with great probability, to the circumstance of purchases by persons who had previously sold their old wheat with a view to re-investment in the new. Some speculative purchases were also made at that time, in pursuance of an opinion which had become prevalent that prices had seen their lowest; and the excellent quality and condition of the wheat of 1822 afforded additional inducements to act upon that opinion. The winter of 1822-3, although not memorable for severity and duration of frost, was rather a rigorous one; and the spring of 1823 was very backward, with a prevalence of cold, dry weather, till the latter end of June."* In these circumstances the average price of wheat rose in June to 61s. 4d. (or to 62s. 5d., according to Mr. Tooke in the body of his work). "The weather, however," he goes on, "afterwards improved; and, as the recent rise had induced large supplies from the farmers, the old stock being found to be more considerable than had been supposed, the markets gave way. Although the weather at harvest was unsettled, with a considerable proportion of wet, accompanied with reports of injury to the crops, prices still continued to decline." The average price of wheat in October was 47s. 4d. according to the Table, or 46s. 5d. as set down by Mr. Tooke in his text; the fall in four months having by this latter statement been not less than 16s. per quarter, or rather more than 25 per cent. "But," he adds, "as it had been found on threshing that the produce of the crops was really deficient, while the old stock had been materially reduced, there was a rally of the markets at the close of the year;" and the average of wheat rose in December to 50s. 8d.—the Table says to 52s. The only important facts connected with the state of the currency at this time are, that the clause in Peel's bill of 1819, directing the suppression of the one pound notes of the country banks in 1823, had been repealed in June, 1822, and their circulation per-

* History of Prices, ii. 122.

mitted for ten years longer ; that in the spring of 1822, parliament had sanctioned an issue of four millions of exchequer bills in aid of public works ; and that the average amount of Bank of England notes in circulation, which was 17,862,890*l.* in 1822, had increased to 18,629,540*l.* in 1823. But, on the other hand, the whole amount of bullion in the coffers of the Bank, which was 10,254,698*l.* on the average of the year ending 28th of February, 1822, had risen to 12,606,963*l.* on the average of that ending on the same day in 1824. It appears very doubtful, also, if there was any increase at all in the issues of the country banks in 1823 as compared with 1822.* As for the assumption, again, common or universal with the class of political economists who trace all variations in prices to variations in the amount of the currency, that the Bank circulation was increased in 1823 to the extent of 4,000,000*l.* by the issue of exchequer bills to that amount, it is enough to state that it is a pure delusion or fiction ; in point of fact, no such increase of the paper of the Bank took place. The official value of the imports this year rose to 35,798,707*l.* ; while that of the exports fell to 52,408,276*l.*, including British and Irish produce and manufactures to the amount of 43,804,37*l.*, or in real value to that of 36,375,342*l.* The real value of the exports of home produce and manufactures to the South of Europe was this year only 6,801,490*l.* ; that of those to the United States had fallen to 5,464,874*l.* from having been 6,865,262*l.* in 1822 ; that of those to Central and South America had risen from 3,166,714*l.* to 4,218,893*l.* This year the relaxation of the old restrictive system of our commercial policy was completed by the passing of the act of 3 and 4 Geo. IV. c. 37, entitled "An Act to authorize his Majesty, under certain circumstances, to regulate the duties and drawbacks on goods imported or exported in foreign vessels ; and to exempt certain foreign vessels from pilotage." Although slightly out of the chronological order, it may be most convenient to mention here that commercial treaties, in conformity with the provisions of this act, commonly known as the Reciprocity of Duties Act, were concluded in 1824 with the Netherlands, Prussia, and Denmark ; in 1825 with the Hanse Towns ; in 1826 with France (for ten years), and with Mexico ; and in 1829 with Austria. The trade with the United States had already been placed upon the

* See Tooke's History of Prices, II. 128-131.

footing of reciprocal duties and privileges by a convention arranged in 1815, which was subsequently prolonged in 1818 and 1827.

1824.—The price of corn continued to rise for the first three months of this year, the crop of 1823 having been found to be still more deficient both in quantity and in quality than had been previously supposed. The average price of wheat in March was 65s. 6d. But after this, when “it was first discovered,” to quote the Historian of Prices, “by the large supplies from the farmers, that, although the crop of 1823 had on all hands been allowed to be deficient, yet, with the old stock from previous years, it was adequate to supply the consumption at its ordinary rate till after the ensuing harvest,” the markets began to decline, and by September the average price of wheat had fallen to 55s. 4d. During harvest, however, the weather was very wet in some parts of the country, and unsettled in all: and, with a stock on hand lower than what it had been for some years past, a rise began which carried the average price of wheat by November to 64s. 8d. Meanwhile it is remarkable that the prices of other commodities in general experienced little or nothing either of elevation or depression during the greater part of this year. “In the early part of 1823,” says Mr. Tooke, “the entrance of the armies of France into Spain, giving rise to the apprehension of a general war in Europe, caused a speculative advance in the prices of colonial produce, and of some other commodities of which the cost of production was likely to be raised, or the supplies obstructed, by such an event. Coffee and sugar, and several other articles, were supposed to be likely to be so affected, and experienced therefore a considerable rise of price in the first three months of 1823. But, when it was found that the government of this country did not interfere to prevent the occupation of Spain by the armies of France, and that consequently there was no longer any ground for apprehension of a general war, the markets for those articles relapsed to their former state. Later in the season, a speculation in cotton, and consequent advance in prices, occurred, on the ground that the reduced stock on hand, with the computed probable importation, was likely, according to the estimates then formed, to fall short of the rate of consumption. But the importations proved to be beyond the estimated quantity, while the consumption appeared to have been checked, and prices soon subsided to the state from which they had been speculatively

raised. With these exceptions, and other isolated speculations of less note, attended by the same result, *the prices of goods generally were either stationary, or dull and drooping during the first six months, and in some cases (the important article of coffee, for instance) till the close, of 1824."** "In most of the great branches of trade," he afterwards observes, "there prevailed, in the latter part of 1823 and the greater part of 1824, a general character of prudence and sobriety, without any apparent resort to an undue extension of credit. There was still at this time a prevalence of the caution which had been taught and enforced among the commercial classes by the reverses and losses which had been sustained by the great fall of prices since 1818. Due attention was still paid to the more obvious elements of mercantile calculation; and, although there was an evident tendency to increased speculation, the objects for the exercise of it were selected with a considerable degree of care and sobriety."† The largely augmented amount, however, of the imports in 1823 may show that the storm was already brewing, that the spirit of speculation was awakening; for, although the low prices of the raw materials and the improvements of machinery had, as Mr. Tooke remarks, extended the consumption of most descriptions of manufactured articles both at home and abroad, no corresponding increase of the national demand can be supposed to have called for any thing like the whole of the sudden increase of importation which actually took place. But it was not till towards the close of 1824 that the competition among dealers began very observably to spread and to grow more eager. The following is Mr. Tooke's interesting and instructive explanation:— "The closing months of the year are those in which, by annual custom, the stocks of goods on hand, and the prospects of supply and probable consumption for the coming season, are stated and reasoned upon by merchants and brokers in circular letters addressed to their correspondents and employers. By these circulars it appeared that of some important articles the stock on hand fell short of what it had been at the close of the preceding year. From this the conclusion was more or less plausibly deduced, that the rate of the annual consumption of those articles was outrunning the utmost actual and probable supply, and that an advance of price must necessarily be the consequence; not, however,

* *History of Prices*, ii. 141.

† *Id.* p. 142.

considering that a great part of the increased consumption had been owing to the reduced price. At the same time there were, on the present occasion, in the case of some leading articles, such as cotton and silk, confident reports of failure of crops, or other causes which would infallibly diminish the forthcoming supply. Expectation of scarcity was thus combined with actual deficiency, in further exciting the spirit of speculation, which had been already roused, and to which the state of the money-market, or, in other words, the low rate of interest, afforded great facility."* The impulse to a rise of prices thus given acquired new force every day. Cotton became the article of most eager purchase; but silk, wool, flax, and various other articles, were also laid in in large quantities, and at exorbitant prices; and speedily there "arose an impression," to quote Mr. Tooke's words, "that all purchases of goods were likely to answer." Safflower, saffron, pot and pearl ashes, resin, linseed, oil, coffee, cochineal, tallow, sugar, and opium, are articles which he enumerates as having all, besides many others, become objects of speculative purchase before the close of the present year 1824. The official value of the imports for this year was 37,552,935*l.*; that of the exports rose to 58,940,336*l.*, including British and Irish produce and manufactures to the amount of 48,735,551*l.*, the real value of which was estimated at 38,422,312*l.* The principal increase in the export of such home produce and manufactures was to Central and South America, to which there was sent to the amount, in real value, of 5,572,579*l.*, being considerably more than twice as much as in 1817, since which year the annual increase had been steadily progressive.

1825.—Corn maintained a high and even a somewhat advancing price throughout the first five or six months of this year, notwithstanding the importation of 525,231 quarters of foreign wheat in April, and a winter and spring which at least could not be described as inauspicious. The average price of wheat was 68*s.* 9*d.* in May, and, although the summer proved a very fine one, it was still 68*s.* 6*d.* in June, and 68*s.* in July; nor was it till after the crop, which was unusually early, was secured in good condition, and found to be of more than average productiveness, that it began decidedly to give way. It fell to 66*s.* 7*d.* in September, and a further slow but steady movement in the same direction brought it down to 63*s.* by the last month of the year.

* History of Prices, ii. 142.

It is remarkable, however, that, while wheat thus declined in price after the harvest, the price of every other description of grain advanced: thus, barley, which had been at 38s. 11d. in March, was at 41s. 2d. in December; oats rose during the same interval from 24s. 8d. to 26s. 8d.; rye, from 39s. 7d. to 44s. 1d.; beans, from 37s. 2d. to 45s. 9d.; peas, from 39s. 9d. to 48s. 10d. Barley, beans, and peas had also all declined in price during the first three months of the year, when the price of wheat was advancing. Meanwhile, the rage of speculation in nearly every branch of trade, which had manifested itself towards the close of the last year, had attained an extraordinary height very early in this. It was in great part a repetition of what had taken place in 1808, and again in 1814. As in the former of these years the actual opening of the trade to the Spanish and Portuguese possessions in South America, so now the proposed recognition by this country of the independence of the new states into which those countries had formed themselves, and the prospect of the negotiation of advantageous commercial treaties with them, led to all sorts of extravagant investments in goods supposed to be suitable for that market. Large remittances besides were made, partly in manufactures as well as in stores and machinery, to carry on mining operations in South America, and for the loans raised here by the several states. It was expected that the returns would principally be made in the precious metals, through the increased productiveness given to the mines by the application of improved machinery and the outlay of British capital; and "so sanguine on this head," Mr. Tooke tells us, "were the views of persons otherwise well-informed, that they believed and acted upon the belief of a diminished value of gold and silver in consequence of the vast additional quantity which was speedily thus about to be raised."* Finally, an additional impulse was communicated to the prevailing mania, and to the advance of prices which it produced, by the flourishing accounts which were given by ministers, on the opening of the session of parliament in the beginning of February, both of the financial and of the economical prosperity of the country. "From these concurrent causes," says Mr. Tooke, "the speculations in goods proceeded with extraordinary activity from the close of 1824 till an advanced period of the spring following. The speculative anticipation of an advance was not confined to arti-

* History of Prices, ii. 143.

cles which presented a plausible ground for some rise, however small; it extended itself to articles which were not only not deficient in quantity, but which were actually in excess. Thus coffee, of which the stock was increased compared with former years, advanced 70 to 80 per cent. Spices rose, in some instances, 100 to 200 per cent., without any reason whatever, and with a total ignorance on the part of the operators of everything connected with the relation of the supply to the consumption. In short, there was hardly any article of merchandize which did not participate in the rise; for it had become the business of the speculators, or the brokers who were interested in raising and keeping up prices, to look minutely through the general price currents, with a view to discover any article which had not advanced, in order to make it the subject of exaggerated demand."* It appears from a tabular statement afterwards given, that between July, 1824, and June, 1825, bowed Georgia cotton rose from $7\frac{1}{2}$ d. to 1s. $6\frac{1}{2}$ d. per pound; East India cotton from 5d. to 1s. 1d.; cochineal, from 16s. to 24s.; indigo, from 10s. 4d. to 16s.; cinnamon, from 6s. 9d. to 12s.; mace, from 4s. 8d. to 18s.; nutmegs, from 2s. 8d. to 12s.; pepper, from 5 $\frac{1}{2}$ d. to 8 $\frac{1}{2}$ d.; tobacco, from 2d. to 9d.; China raw silk, from 16s. 6d. to 29s. 10d.; sugar (British possessions), from 29s. $11\frac{1}{2}$ d. per cwt. to 41s. 5d.; white Havanna ditto, from 35s. to 55s.; coffee (St. Domingo), from 58s. to 79s.; salt-petre, from 19s. to 36s.; tallow, from 31s. to 43s.; British pig-iron, from 6*l.* per ton to 12*l.*; lead, from 23*l.* to 30*l.*; spelter, from 20*l.* 10s. to 41*l.* 15s.† Nearly all these articles had attained their highest price before the end of April. And, curiously enough, the exaggerated notions which were entertained of the extent of the probable demand for all sorts of commodities as compared with the supply led not only to increased importations, but also at the same time to a temporary increase of exports. The matter is thus explained by Mr. Tooke: "The reduced stocks of raw materials in this country, and the speculations thereupon, would, in most cases, be attended, in the first instance, with improved markets abroad for the manufactured goods into which those raw materials enter; and the improved markets abroad would give an impulse both to orders from thence, and to speculative shipments thither, beyond what would be found to be eventually carried off by consumption at the

* History of Prices, ii. 148.

† Id. p. 157.

advanced prices. The transactions hence arising, and the engagements consequent upon them, might be, as, in fact, they were, entered into to a vast extent, long before any effect of them could be felt in the exchanges, or in the rate of interest, or in prices, or in the state of credit."* The extravagant speculations in commodities, however, had been both preceded and outdone by those in foreign loans and in shares. Of various loans which had been negotiated in this country for the continental states of Europe between 1817 and 1823, all had proved to be good investments, with the exception only of that raised for the Spanish Cortes in 1821; while the fall in the rate of interest in this country had been such that the price of the 3 per Cent. Consols rose gradually from 73½ in April, 1823, to 96½ in November, 1824, and the premium on exchequer bills from 10s. to 60s. in the same space, and to 68s. in January, 1825. At home, also, in 1822 our own 5 per Cents. were reduced to 4 per cent., and early in 1824 the old 4 per Cents. to 3½. This state of things naturally disposed capitalists to rush eagerly into the market of speculation opened by the loans now proposed for the South American States. Then, under the same impulses of the state of the money market and the excited spirit that was abroad, new projects of all kinds had been started in the early part of 1824 to an extent that had not been exemplified since the time of the great South Sea delusion. "The abundance of capital," says the Annual Register for that year, "led to the formation of numerous joint-stock companies—directed, some of them, towards schemes of internal industry, others of them towards speculations in distant countries. The mines of Mexico was a phrase which suggested to every imagination unbounded wealth; and three companies—the Real del Monte Association, the United Mexican, and the Anglo-Mexican—were formed for the purpose of extracting wealth from their bowels by English capital, machinery, and skill. Similar companies were formed in the course of the year for working the mines of Chile, of Brazil, of Peru, and of the provinces of the Rio de la Plata, and for prosecuting the pearl-fishery on the coast of Colombia. So great was the rage for speculation that, in the course of a very few weeks in the earlier part of the year, the following undertakings, among others, were brought forward in London, and found subscriptions courting their acceptance:—The Alliance Fire and Life

* History of Prices, ii. 147.

Insurance Company, with a capital of five millions; the Palladium Fire and Life Insurance Company, with a capital of two millions; the British Annuity Company, whose capital was three millions; the Metropolitan Investment Company, with a capital of one million; the Thames and Isis Navigation Company, with a capital of 120,000*l.*; an Ale Brewery Association, with a capital of 200,000*l.*; a Company for obtaining from government a grant of a million of acres of land in New South Wales, and for improving the growth of wool; an Association for the cutting a Canal across the Isthmus of Darien; a Company for navigating the Thames and Isis by Steam; a new Dock Company for coals only. Many of the companies which were thus set on foot were able, or conceived that they were able, to prosecute their objects effectually without deriving any sanction or special powers from the legislature. Others of them, and particularly such as were to have the sphere of their operations at home, found it prudent or necessary to apply for private acts of parliament; so that in the month of March there were upwards of thirty bills before the House of Commons for the purpose of giving legal existence to different companies of this kind." The list of these bills, which is given in a note, is curious, as indicating the directions in which speculation and invention looked twenty years ago, and with reference to the eventual success or abandonment of the various projects which then occupied the public mind. The titles of the bills were—Manchester Equitable Loan Society; London Equitable Loan Institution, capital 2,000,000*l.*; Australasian Company; Manchester Benevolent Society; St. Katharine's Dock Company; Tunnel under the Thames from Rotherhithe; South London Docks Company (for making wet docks, warehouses, basins, &c., in and near St. Saviour's Dock, Bermondsey); Counters Bridge Creek Canal (separating Kensington from Hammersmith); St. Katharine's Suspension Bridge; Hammersmith Bridge Bill, for building a bridge at Hammersmith across the Thames to the parish of Barnes; London and Westminster Oil-gas Company; Compressed Gas Company; United General Gas-light Company; Portable Gas Company; Dublin Oil-gas Company; Phoenix Gas Company; Manchester ditto; Leeds ditto; Greenwich ditto; Margate and Ramsgate ditto; Edinburgh ditto; Aberdeen ditto; Hereford ditto; Irish Annuity Company (for lending money on annuities and other securities); Hibernian Mining Com-

pany, No. 1 ; ditto, No. 2 ; Irish Patriotic Assurance Company ; Dublin Equitable Loan Society ; Royal Irish Mining Company ;—being twenty-nine in all. “ In all these speculations,” the account proceeds, “ only a small instalment, seldom exceeding five per cent., was paid at first ; so that a very moderate rise in the price of the shares produced a large profit on the sum actually invested. If, for instance, shares of 100*l.* on which 5*l.* had been paid, rose to a premium of 40*l.*, this yielded on every share a profit equal to eight times the amount of the money which had been paid. The possibility of enormous profit by risking a small sum was a bait too tempting to be resisted ; all the gambling propensities of human nature were constantly solicited into action ; and crowds of individuals of every description, the credulous and the suspicious, the crafty and the bold, the raw and the experienced, the intelligent and the ignorant, princes, nobles, politicians, placemen, patriots, lawyers, physicians, divines, philosophers, poets, intermingled with women of all ranks and degrees, spinsters, wives, and widows—hastened to venture some portion of their property in schemes of which scarcely anything was known, except the name.”* This feverish condition of the public mind went on increasing, with only a few short intermissions, throughout the whole of 1824 ; and then in the early part of 1825 came those speculations in goods to which we have already adverted. The state of apparent prosperity which then prevailed is thus described in the Annual Register for the latter year :—“ Nearly all property had risen greatly in pecuniary value, and every branch of internal industry was thriving. Agricultural distress had disappeared ; the persons employed in the cotton and woollen manufactures were in full employment ; the various departments of the iron trade were flourishing ; on all sides new buildings were in the progress of erection ; and money was so abundant, that men of enterprise, though without capital, found no difficulty in commanding funds for any plausible undertaking. This substantial and solid prosperity was stimulated to an additional extent, and was in appearance still further magnified, by the operation of the many joint-stock companies which had sprung into sudden existence in the former year. Some of these had put in motion a considerable quantity of industry, and increased the demand for various articles ; and all of them at their commencement, and for sov

* Annual Register, vol. lxvi. p. 3.

time afterwards, tended to throw a certain sum of money into more active circulation, and to multiply the transfers of property from one hand to another. As these speculations still retained their popularity, the apparent prosperity arising from their artificial stimulus presented an imposing aspect. New companies were formed; day after day teemed with successive projects; and the shares of joint-stock companies not only sustained the absurdly high prices which they reached in the latter end of 1824, but even rose far higher.* A list is given in a note to this account, from a French periodical publication, of the joint-stock companies formed in England in 1824 and the beginning of 1825; according to which the total number of companies was 276, and their nominal capital 174,114,050*l.* Among those enumerated are 48 for railroads, with a capital of 22,454,000*l.*; 34 for metal-mining, with a capital of 24,495,000*l.*; 33 for canals and locks, with a capital of 17,753,000*l.*; 42 gas companies, with a capital of 11,110,000*l.*; 20 insurance companies, with a capital of 41,800,000*l.*; 23 banking companies, with a capital of 21,610,000*l.*; 10 companies for the cultivation of indigo, sugar, &c., with a capital of 10,500,000*l.*; besides others for working coal-mines, for navigation, for fisheries, for pearl-fishing, for agriculture, for the supply of water, for the supply of milk, for the embankment of London, for tunnels under the Thames (2), for sea-water baths, for newspapers, &c. In the 'Times' and 'Morning Chronicle' for the 23rd and 24th of January, 1825, there appeared advertisements of 36 several companies; among which were the East London and United Docks Railroad Company, the Westminster Fish ditto, the Metropolitan Loan and Investment ditto, the Royal National Bath ditto, the London Brick ditto, the British Iron ditto, the General United Coal ditto, the Surrey, Sussex, and Hants Railroad ditto, the Taunton Grand Western Railroad ditto, the London Northern Railroad ditto, the Metropolitan Alderney Dairy ditto, the Metropolitan Flour and Bread ditto, &c. In many of these projects, especially in those for carrying on mining operations in South America, the price of shares mounted about this time with a rapidity almost threatening to rival what had been seen in the year 1720. Thus, the 100*l.* shares of the Anglo-Mexican Mining Company, which were selling at 133*l.* on the 10th of December, 1824, were at 258*l.* on the 11th of January, 1825; within the same space those in

* Annual Register, vol. lxvii. p. 13.

the Brazilian Mining Company rose from a discount of 10s. to a premium of 70*l.*, or from 99*l.* 10s. to 170*l.*; those of the Colombian from 119*l.* to 182*l.*; the instalments actually paid in each of these three cases having been only 10 per cent., or 10*l.* on the share: the 400*l.* shares in the Real del Monte, upon which 70*l.* had been paid, rose from 550*l.* to 1350*l.*, so that here an outlay of 70*l.* for a single month produced a profit of 800*l.*, which was at the rate of nearly 14,000 per cent. per annum: the 40*l.* shares of the United Mexican, upon which 10*l.* had been paid, rose from 35*l.* to 155*l.*, which was a still higher rate of profit.* But this could not go on long: the inevitable reaction and reverse began to be felt, in the market both of shares and of goods, by the end of the spring or first quarter of the year. Unexpectedly large supplies and diminished demand came at the same time; the exertions which had been made in anticipation of rising prices produced the former; the expectation now entertained of a decline of prices, the latter. As Mr. Tooke has well remarked, "the demand, on such occasions, is diminished in a greater degree than the actual consumption. When the conviction is once established that there is an approaching relief, by a fresh importation, from the existing deficiency of supply, the manufacturers and the dealers, both wholesale and retail, limit their purchases to merely what is absolutely necessary. The manufacturers work up, and the dealers and shopkeepers run off, their previously accumulated stocks, before they buy afresh; and this they do only, as it is termed, from hand to mouth. There is, in such cases, a postponement of demand, as, under the opposite circumstances of apprehended scarcity and rising markets, an anticipation of demand."† And there was also a diminished export, occasioned by the high prices to which most articles had risen. Hence an accumulation of stocks far beyond what there was any prospect or possibility of getting rid of except at a sacrifice ruinous to the holders. The recoil of markets, as always happens, was preceded by a panic and a resistance, greater or less according to the nature of the articles and of the particular branch of trade; but most articles, as we have said, began to evince a tendency downwards before the summer of this year. The reaction was first felt in cotton, in

* Such appear to be the facts, as stated, but not very clearly, in a table given in the Annual Register for 1825, p. [3].

† History of Prices, ii. 155.

which the principal over-trading had occurred; but the actual fall of prices in this and other articles did not take place till about midsummer. Between June, 1825, and January, 1826, bowed Georgia cotton fell from 18*½*d. to 6*½*d. per lb., East Georgia from 13d. to 4d., cochineal from 24s. to 13s. 6d., indigo from 16s. to 7s., cinnamon from 12s. to 6s., mace from 18s. to 5s. 6d., nutmegs from 12s. to 3s. 6d., pepper from 8*½*d. to 4*½*d., tobacco from 9d. to 3d., China raw silk from 29s. 10d. to 13s. 3d., sugar from 41s. 5d. to 28s. 9*½*d. per cwt., white Havannah ditto from 55s. to 42s., coffee from 79s. to 47s., saltpetre from 36s. to 22s., tallow from 43s. to 31s., British pig-iron from 12*l.* to 8*l.* per ton, lead from 30*l.* to 22*l.*, spelter from 41*l.* 15s. to 26*l.** Thus, by the end of 1825, prices generally may be said to have fallen to much about the point from which they had started eighteen months before, continuing to ascend for two-thirds of that space of time till they had attained to twice or in some cases to three times their original height. The fall therefore was accomplished in half the time that it had taken to produce the rise. The decline in the loan and share market was still more precipitous. Many, if not most, of the subscribers had nothing to trust to but the profits upon a rise of their stock wherewith to pay their instalments, or the facility of borrowing at a low rate of interest; and on the disappointment of these expectations they were obliged to sell out at any price, and the demand for investment became limited to the comparatively small number of persons actually possessed of capital or real means. Then it was found with regard to some of the foreign loans that the security was insufficient or suspicious, while all of them were of course depressed by the rise of the rate of interest in this country. "It is to be considered," writes Mr. Tooke, "that the greater part of the transfers of the original shares in the foreign loans, and in the new schemes, while the payment on them were light, and while confidence was still entire, were carried on by a medium engendered in a great degree by those very transactions; and that the profits realized, anticipated by the successive shareholders afforded a fund of additional credit, as well as of nominal capital, with which they might and did appear as purchasers of other objects of exchange. But, as new loans and schemes were successively brought forward on grounds more or less:

* See Table in Tooke's Hist. of Prices, ii. 157.

cious, all tending to the additional absorption of capital, while the increasing calls, with the high premium payable on the former loans and schemes, were beginning to press upon the shareholders, the weakest, in the first instance, would endeavour to realize without any longer finding ready buyers. A pause naturally ensued ; and, under such circumstances, a pause is generally fatal to projects that do not proceed on solid grounds."* The greatest elevation of the prices of shares having been attained in January and February of this year 1825, immediately after that there ensued a pause, then a slight decline, and then a rapid fall in May and June. "The South American loans," continues Mr. Tooke, "entailed a loss of nearly the whole of the sums subscribed, there having been no dividends beyond a small part retained and paid back under the name of dividends. And the Mexican and South American mining subscriptions, with only one or two exceptions, proved to be a total loss of the capital paid. Of the other schemes, some few, which were undertaken on fair and solid grounds, survived ; but a large proportion were abandoned, at a sacrifice of the greater part, if not the whole, of the deposits and first payments. The losses thus sustained were severely felt in the fortunes of individuals unconnected with trade ; but they likewise entered largely into the causes of the banking and commercial failures which followed."† General distrust now succeeded to the unbounded credit and confidence which had been first produced by and had then in its turn impelled the high prices and extravagant speculation. The pressure upon the money market came first ; but it was not till December that the fall of the banks began with that of the house of Pole and Co., in London, which stopped payment early in that month, after struggling with difficulties for above a week. A severe run now commenced upon other London banks, three or four more of which gave way, along with sixty-three country banks, in the course of this month. "Bank of England notes and gold," says Mr. Tooke, in a pamphlet on the currency, which he published in January 1826, and portions of which he has reprinted in his 'History of Prices,' "were almost the only medium which would then be accepted in payment throughout the country ; but Bank of England notes, where even they were taken as readily as gold, could not supply the chasm created by the discredit

of the local paper, since the Bank had ceased to issue one pound notes; gold, therefore, was required specifically for this, as well as for the more general purposes of meeting the demand from want of confidence in the paper. The drain upon the Bank coffers for gold, for internal purposes, was, from these causes, so great, that, following a previous drain for exportation, doubts were entertained whether cash payments could be continued. Happily the public escaped the calamity of a second suspension. The contraction which had taken place in the circulating medium, by the destruction of nearly all the country paper, and the cessation of almost all transactions on credit, and the detention of sums for the purpose of increased reserves by bankers and others, was greater, perhaps, than had ever before occurred, notwithstanding that an enlarged issue of Bank of England notes had been made through the medium of extended discounts of mercantile bills; and this contraction was at length effectual in occasioning an influx of gold sufficient to place the Bank out of immediate danger. In the mean time it had issued a few one pound notes, to supply the urgent wants of the country circulation. A box containing about 600,000*l.* or 700,000*l.* of one pound notes, which had been put aside unused, had been discovered by an accident, it is said, in the possession of the Bank; and these were immediately issued in the week ending the 24th December, 1825."* While admitting, however, that the relief afforded by this issue was very seasonable, Mr. Tooke doubts whether it was so essential as has been supposed, in rescuing the Bank from suspension, the fact appearing to be that the severest part of the run for gold was over in the week preceding the issue. He goes on to describe the state of universal and severe pressure that now succeeded "the great facility which only a few months before had been experienced by speculators, projectors, and inventors of every kind, in raising whatever sums they might require at the shortest notice, and at a low rate of interest, on securities of goods, on mortgages, or on bills at whatever length of date, or on mere personal credit;" instead of all this there was now felt everywhere "an utter inability to raise money upon any but the best and most convertible securities. Goods became unsaleable, beyond the immediate and urgent wants of the consumers, so that the stocks which are usually held in anticipa-

* History of Prices, ii. 162.

tion of demand, were wholly unavailable to meet the pecuniary engagements of the holders. Thus, many merchants, having accepted bills for only half the invoice amount of wool, cotton, and silk coming to their consignment, were unable to realize even that half by sales, or by advances on the security of the bill of lading; and not only no further advances could be obtained by way of loan on the security of goods, but the advances already made were peremptorily called in. Advances on mortgage, owing to the usury law, were wholly out of the question. From the same cause, namely, the value of the use of monied capital having risen beyond the rate of 5 per cent., which has been imposed by law as the maximum, no bills, however good in point of security, were convertible, which had longer to run than ninety-five days, and which did not come within the forms prescribed by the Bank as the rule of its discounts. The different shopkeepers, retail tradesmen, and small farmers, having taken in payment in the course of their dealings the notes of the country banks which subsequently failed, were prevented from making their payments within the stipulated periods to the manufacturers and wholesale dealers; and these, consequently, were unable to fulfil their engagements, or discharge their acceptances to the importing merchants."* With regard to the state of the circulation, and the conduct of the Bank of England, Mr. Tooke has shown that down to October 1824 there was nothing to find fault with: at the commencement of that month the issues of paper did not exceed 19,000,000*l.*, and the stock of bullion in the coffers of the Bank, though it had been reduced by two or three millions since January, was still in the proportion of more than one-third to the liabilities of the establishment. "And yet," observes Mr. Tooke, "it was at this period of a currency which, looking only at the position of the Bank, was in a perfectly sound state, that the spirit of speculation, which had several months before been running riot in the share market, had extended to the markets for goods. The exchanges had indeed given way, but it was only in such a degree as had allowed of reducing the treasure, which had been of inconvenient magnitude."† It cannot therefore be said, that the speculative spirit was originally excited by any enlargement of its issues on the part of the Bank. But in the early part of October (1824), the demand for gold became more marked, the exchanges experienced a furthe

* *History of Prices*, ii. 164.

† 11. T. 177.
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fall, and the drain on the coffers of the Bank proceeded from that time at such a rate, that by February 1825, the quantity of bullion had been reduced by nearly three millions, as compared with its amount in the preceding October, and by five millions as compared with its amount in February of the preceding year; and at this singularly chosen moment the circulation was enlarged by about a million: the securities being at the same time increased by no less an amount than six millions, a proceeding which would of necessity have led to a still further extension of the circulation if there had not taken place a great increase of the revenue, which reduced the amount of the deficiency bills. The circulation, which had been 19,736,990*l.* on the 28th of February, 1824, stood at 20,753,760*l.* on the same day in 1825; and in the course of the spring it was further increased to twenty-one millions. "This increase of the circulation," Mr. Tooke remarks, "at the precise time when the urgent necessity of a reduction of the issues, or, at any rate, of a limitation of them, was so strongly indicated, could not fail of promoting, although it had not excited, the tendency which then existed to extravagance of speculation. It is very possible that, by the utmost practicable contraction, the Bank might not have been able effectually to repress the spirit of speculation, the motives to which were then so powerful; but the misfortune was, that not only did the Bank not do what was practicable to check, but it did the very reverse, it actually added to the existing facilities. The Bank had not kindled the fire, but, instead of attempting to stop the progress of the flames, it supplied fuel for maintaining and extending the conflagration."^{*} While it is contended, however, that there can be no reasonable doubt of the great error committed by the Bank in having thus extended its circulation instead of contracting it, between the summer of 1824 and the end of April, 1825, it is admitted that, in the position of difficulty in which it had thus placed itself, there was presented to it a choice only of evils; "and," it is added, "it may fairly be questioned whether, in being passive, or nearly so, as it was, or, in other words, in preserving the securities nearly uniform as was the case in the interval from April till the autumn of 1825, and allowing the public to operate on the bullion and deposits, the Bank did not adopt the lesser evil."[†] Between the end of March and the end of September the

* History of Prices, ii. 179.

† Ibid. p. 181.

circulation was reduced by little more than a million; and the average in the two quarters ending in June and September was only about half-a-million less than it had been in the last quarter of 1824. After this, a heavy drain commenced upon the Bank, principally, it is probable, for the purpose of supplying gold to the country banks, which were now beginning to experience a severe run. On the 24th of December the treasure was reduced to 1,027,000*l.* (namely, 426,000*l.* in coin, 601,000*l.* in bullion), which was considerably less than it had been at the time of the suspension in February, 1797. This was the lowest point to which the stock of gold and silver was brought; but the succeeding was the week of greatest alarm and excitement. In the course of that week the directors applied to the government for a new cash restriction, declaring their belief that they were likely to be run dry; but ministers firmly declined to interfere. On the morning of Monday the 19th, a fresh supply of bullion was obtained, and additional supplies came in in the course of the week; but the assistance that was procured in this way probably would not of itself have been sufficient to prevent a stoppage. In his evidence before the Committee on the Bank Charter, in 1832, Mr. Richards, who had been deputy governor of the Bank in 1825, after stating that on the night of Saturday the 17th, they were expecting gold on the Monday, added, "But, what was much more important, whether from fatigue, or whether from being satisfied, the public mind had yielded to circumstances, and the tide turned at the moment on that Saturday night." In the course of the next week the directors adopted what Mr. Tooke describes as "the bold, and somewhat empirical, but (as it turned out to be successful) the salutary measure of enlarging their issues by discounting freely at five per cent. (to which the rate had been recently increased) all mercantile paper that had any pretensions to security."^{*} This they were enabled to do by the exchanges having previously taken a decidedly favourable turn. In the course of the month of December the issues of Bank paper were gradually increased from 17,477,290*l.* (at which they stood on the 3rd) to 25,709,410*l.* (on the 31st). The discounts had been increased to the extent of four or five millions, and exchequer bills had been purchased in the market to that of two or three millions. The official value of the imports in this ex-

* History of Prices, II. 186.

traordinary year rose to 44,137,482*l.*; that of the exports was reduced to 56,335,514*l.*; that of the British and Irish produce and manufactures exported being 47,166,020*l.* But, notwithstanding the diminished quantity of these last, the rating according to real value was increased by the general rise of prices to 38,870,851*l.* The real value of the home produce exported this year to Central and South America was 6,425,715*l.*, or three times what it had been in 1816; and it had been regularly increasing, without the exception of a single season, for the last six years.

1826.—The commercial history of the year 1826 naturally commences with the sequel and conclusion of the panic which had begun in the money market in the end of the preceding year. Few mercantile failures of much importance took place, at least in the metropolis, till towards the end of January. It was not till then that the bills and other obligations of the commercial community which had originated before the suspension of credit and confidence began generally to become due. A large proportion of these bills, both inland and foreign, was discounted by the Bank of England in December and the early part of January; and this accommodation, besides enabling the holders to make their immediate payments, also afforded further relief by the extended issue of Bank paper, which in some degree supplied the vacuum occasioned by the paralysis of private credit. "But," continues Mr. Tooke, writing during the progress of the events which he describes, in a postscript to a subsequent edition of his pamphlet, published at the end of February, "when the bills become due, and there is no longer a facility of renewing them, the acceptors are unable to meet their payments, either because they have not received the remittances which they expected from abroad, and, although possessed of property, cannot immediately convert it by sale or pledge, or because, though solvent when they gave their acceptances, they have ceased to be so by the further fall of prices, or by the failure of their debtors. The failures of mercantile firms have accordingly, for some weeks past, occurred to a vast and alarming extent. Many, if not most, of these houses have been large shippers of goods, for which they had given their acceptances to the manufacturers. The losses thus sustained by the manufacturers are aggravated by the great fall in the price, and the stagnation of demand for their goods, resulting from the over-importation of the raw material, and from the previous successive speculative exports."

of the manufactured articles with which the foreign markets have been glutted. The speculative demand, too, in last spring, occasioned our own shop-keepers, both in town and country, to stock themselves more largely than usual. Many of these have contributed of late to swell the lists of bankrupts; and such of them as have not failed are, both from necessity, and from the opinion of future cheapness, going in the opposite extreme of running their stocks to the lowest amount consistent with the preservation of their business.”* The number of bankruptcies, which had risen from 65 in September, and 82 in October, 1825, to 142 in November, and 224 in December, and the total number of which in that year had been 1108, was 287 in January 1826, in February 264, in March 219, in April 342, in May 225, in June 218, and upon the whole year, 2583. The pressure arising from this state of things, too, was severely felt by the labouring classes, in the want of employment and the reduction of wages, in addition to their losses in being holders of the notes of the country banks that had suspended payment. But, even without taking this last feature into consideration, which was distinct from and over and above what had been experienced in 1793, Mr. Tooke is inclined to think that the derangement and distress now suffered would be found to exceed what had been felt in that year, both in extent and intensity. As had been done then, ministers had been strongly urged to assist the mercantile community by an issue of exchequer bills under a commission; but this expedient they firmly refused to adopt. They prevailed upon the Bank, however, with much difficulty, to agree to make advances to an extent not exceeding 3,000,000*l.*, on the security of goods. But by this time, in fact, confidence was already in a great measure restored—at least, “the confidence,” to quote Mr. Tooke’s expression, “that was most required by the holders of goods, namely, the confidence on the part of buyers that prices were no longer upheld by undue credit;”—and the whole amount of the advances actually made by the Bank was under 400,000*l.* Of this sum, Manchester received 115,490*l.*, Glasgow 81,700*l.*, Sheffield 59,500*l.* Liverpool 41,450*l.*; and smaller sums went to Huddersfield, Birmingham, Dundee, and Norwich. “After the clearance,” concludes Mr. Tooke, “which had been effected in the latter part of 1825, and in the early months of 1826, of the unsound part of the banking

* Quoted in History of Prices, ii. 167.

and commercial credits, which had been engendered by an undue degree of confidence, and of the spirit of enterprise, in the immediately preceding period, trade and manufactures resumed their wonted course, and hardly any trace remained at the close of 1826 of their having been disturbed in their progress."* There was, however, another sudden increase of bankruptcies towards the end of the year : the number rose from 130 in October to 241 in November, and 212 in December. A rather cold and dry spring had been followed by a steady course of warm and brilliant weather, from the end of May to the beginning of September, and the harvest had been remarkably early, had proved to be of rather more than average quantity, and had been secured in the best condition. The average price of wheat fell from 60s. 3d. in January to 55s. 7d. in March—partly, it may be, in consequence of the prevailing want of confidence and the great pressure for money, but more probably owing to an apprehension which was then entertained that government, as had been done in the preceding spring, intended to liberate the wheat in bond at a low duty. Upon a declaration made by ministers in parliament that they had no such intention, the average price rose again in April to 59s. 8d. The prices of food in general, however, keeping high, and the sufferings and loud complaints of the working classes, who had broken out in some of the manufacturing districts into acts of violence, having occasioned considerable alarm or uneasiness, ministers, on the 1st of May, notwithstanding their previous declaration, proposed to parliament the release of all the corn then in bond, and, further, asked for discretionary powers to admit foreign grain to the extent of 500,000 quarters in case of the coming harvest proving unfavourable; intimating, at the same time, that a great relaxation of the existing corn laws would probably be proposed in the next session. These circumstances, and the result of the harvest, had the effect of keeping the price of wheat at a low range for the rest of the year ; the average having fallen to 54s. 5d. in October, and being still only 55s. 8d. in December. Other grains, however, had suffered from the drought; and, although by an order in council dated the 1st of September foreign oats were admitted at a duty of 2s. per quarter, and peas and beans at a duty of 2s. 6d., the prices of these descriptions of agricultural produce all continued higher throughout this year, during

* History of Prices, ii. 170.

a restricted state of the circulation, than they had been during the enlarged circulation of the spring of 1825. The official value of the imports this year fell to 37,686,113*l.*, or nearly to what it had been in 1824; and that of the exports to 51,042,021*l.*, which was a lower point than it had reached since 1820. The real value of British and Irish produce and manufactures exported was only 31,536,724*l.*, which was less than it had been since 1811, or in any year of the century, that only excepted. The principal falling off was in the exports to the United States, from 7,018,934*l.* to 4,659,018*l.*; in those to Central and Southern America, from 6,425,715*l.* to 3,194,947*l.*: and in those to British North America and the West Indies, from 5,847,287*l.* to 4,601,072*l.*

1827.—As soon as Parliament met this year, in the beginning of February, ministers gave notice of their intention to bring forward their new corn law; but after the question had been delayed for a few weeks, first, by the paralytic attack which terminated the political life of Lord Liverpool, and then by the illness of his successor, Mr. Canning, it was withdrawn early in June, on an important amendment being carried against the Government in the House of Lords; and all that was done was to pass a short act late in the session allowing all foreign grain warehoused before the 1st of July to be admitted for consumption, on payment of certain duties, till the 1st of May 1828. The spring and summer had not been quite so promising as those of the preceding year, and the harvest was late; but the produce of all sorts of grain was a full average as to quantity. The wheat, however, proved very inferior to that of 1826 as to quality. The average price of wheat had gradually risen from 53*s.* 6*d.* in January to 59*s.* 6*d.* in July; after which it fell to 57*s.* 11*d.* in August, and to 55*s.* in September; and then, when it was found that there was no prospect of any farther advance of price, nearly all the wheat and flour in bond, amounting to nearly 600,000 quarters, was entered for consumption under the new act. The effect was, that the decline of prices went on at an accelerated rate, till in December the average price of wheat had fallen to 50*s.* 2*d.* "But this fall took place," observes Mr. Tooke, "not only without any coincident contraction of Bank issues, but was accompanied by an increase of them. Credit had been restored, and the general circulation had been consequently greatly enlarged, more especially as compared with the autumn of 1825, when the prices of wheat and of corn generally were from 20 to 30 per cent

higher than in the last six months of 1827."* The Bank had now again reduced its rate of discount to 4 per cent.; and the range of general prices continued low, with a tendency to a still farther decline in many instances. Altogether the quantities of foreign grain and meal admitted for home consumption in 1826 and 1827 had amounted to not less than 5,083,659 quarters. "If the law of 1815," continues Mr. Tooke, "had been rigidly enforced, and if the relaxation of it, by the admission of foreign corn into consumption in 1825, 1826, and 1827, had not taken place, the price of wheat in 1826 and 1827 must inevitably have ranged from 70s. to 80s., supposing the public to have submitted to so grievous a monopoly price. Thus, while all other productions were at greatly reduced prices, and still falling, we should have seen the prices of corn rising, so as to constitute a severe dearth. And no possible ingenuity could in that case have reconciled the state of the corn markets with the state of the circulation, consistently with the operation ascribed by the currency doctrine to Peel's bill."† The official value of the imports rose again this year to 44,887,774*l.*, which was higher than it had ever before been; and that of the exports was 62,050,008*l.*, which was a still greater excess above the amount of any former year. Of this sum not less than 52,219,280*l.* is set down to the account of British and Irish produce and manufactures, implying a quantity considerably greater than twice that exported at the commencement of the century. Yet such had been the reduction of prices since then, or even since a much more recent date, that the real value of this unprecedented quantity of home produce exported was only 36,860,370*l.*, or but a trifle more than that of the quantity exported twenty years before, which was represented by an official estimate of no more than 23,391,214*l.*‡ This year the real value of the exports to the United States was again 7,018,272*l.*, or as high as it had been in 1825, and higher than it had been in any other year since 1818.

1828.—A bill for regulating the importation of corn, constructed upon the same principle with that which was lost in the last session, but with an arrangement of duties somewhat more favourable to the home grower, was this year brought

* *History of Prices*, ii. 129. † (Ibid.)

‡ In one of Mr. Porte's tables, indeed, (that given at p. 98), the real value of the British and Irish produce and manufactures exported is stated at somewhat less in 1807 than in 1827.

forward by the ministry of the Duke of Wellington, which had succeeded that of Lord Goderich, and was carried through both houses of Parliament with little or no difficulty. It established what has been called the sliding scale; by which the duty was made to vary according to the price in the home market, ranging from 24s. 8d. upon the imperial quarter of wheat when the home price should be 62s., down to 2s. 8d. when the price should be 72s., a nominal duty of 1s. being payable when the price should be at or above 73s. The prices of agricultural produce continued at a low range during the spring and summer of this year, the average price of wheat having only risen to 55s. 3d. in May, from which it receded again to 54s. 9d. in June, and to 54s. in July. But the weather now became very wet and stormy, and, although the appearance of things improved in the latter part of August, the crops proved to be both deficient in quantity and indifferent in quality. In these circumstances, the average price of wheat mounted rapidly in the latter part of the year, and rose to 73s. in November, upon which the ports became open under the new law at the lowest duty. In December, the average was still 71s. 8d. The rise, which was accompanied by a fall in the prices of butchers' meat, and also by a reduction of the issues of the Bank, would have been still greater, had it not been for the surplus of the last harvest having turned out to be larger than was supposed, the deficiency in the new crop having proved not quite so great as had been apprehended, there having been a great increase in the importation from Ireland, and large supplies having also come from abroad, especially from Spain, from which country alone between 200,000 and 300,000 quarters of grain were received in the winter of 1828-9.* Altogether, the foreign wheat admitted for home consumption between the harvest of 1828 and that of 1829, amounted to about 850,000 quarters. Meanwhile, the prices of most other descriptions of produce continued to decline, or at least to keep low. The foreign trade of the country also remained nearly stationary; the official value of the imports for the year being 45,028,805l.; of the exports, 62,744,000*N.*, including 52,797,455*N.* for British and Irish produce and manufactures—which quantity, however, though a little higher than that exported in 1827, is rated at a somewhat lower value, 36,483,328*N.*, thus bearing evidence to the general decline of prices. The next

* Tooke, Hist. of Prices, II. 196.

material variations from the preceding year were that the amount sent to the United States was reduced to 5,810,315*l.*, and that sent to Central and South America increased from 4,004,319*l.* to 5,486,005*l.*, which was greater than it had ever been, excepting only in the two years 1824 and 1825, and nearly as great as in the former even of those years.

1829.—Mr. Tooke's account of the season and crops of this year is as follows:—“The winter of 1828-9 was colder than the preceding winter, but was not marked by any character of severity. The spring following was rather backward, but not remarkably so; the summer and autumn, however, were wet and cold, and the harvest was much protracted by the unsettled weather which prevailed during the whole progress of it. The crops, although ill got in, and, as the event proved, deficient in quantity, and inferior in quality, were hurried to market at the close of 1829, and the averages were in consequence much depressed, having at the close of the year got down to 55*s.* per quarter for wheat. This depression of the corn markets between the close of 1828 and the winter of 1829-30, to the extent of upwards of 20*s.* per quarter on wheat, short as was the duration of the fall, was, while the depression lasted, felt very severely by the farmers, more especially those of the heavy clay lands. The produce of these was very deficient in quantity, and very inferior in quality, and got in at a very heavy expense. And those farmers who, whether under the influence of necessity or of opinion, hurried their corn soon after harvest to market, were obliged to submit to ruinous sales: a large proportion of the wheat so hurried to market being damp and in bad condition, as well as inferior in quality, was, at the close of 1829, and through January and February 1830, sold mostly under 50*s.*, while the very small proportion that came to market in a dry condition, and of good quality, fetched from 70*s.* to 75*s.*, and fine foreign was worth 8*s.*** A large quantity of foreign grain had been admitted for home consumption in July. The official value of the total imports this year was only 43,981,317*l.*; but that of the exports rose to 66,835,443*l.*; and of this sum the British and Irish produce and manufactures amounted to 56,213,041*l.*, or nearly a thirteenth more than in the preceding year. Yet such had been the continued downward movement of prices, that the real value of this larger quantity was estimated at only

* History of Prices, ii. 197.

35,522,627*l.*, or very nearly a million less than the value put upon the exports of 1828.

1830.—The winter of 1829-30 was the most severe of any since 1813-14. Under the apprehensions thence excited, and the clearer evidence of the deficiency of the last harvest, the average price of wheat rose from 54*s. 4d.* in January to 63*s. 11d.* in April, and above 300,000 quarters of foreign wheat were admitted for home consumption at a duty of 20*s. 8d.* per quarter. Prices, nevertheless, continued to rise, so that by August the average was 70*s. 5d.*, upon which the duty fell to 2*s. 8d.*, and about 1,400,000 quarters of foreign wheat were thrown into the market. This brought down the average for October to 60*s. 10d.*; but, the crop having proved to be decidedly deficient, prices almost immediately rallied again, and rose in December to 64*s. 10d.* While the cost of food was thus increasing, however, that of almost all other articles still continued to diminish; and trade, whether more or less profitable than heretofore, was carried on upon a rapidly enlarging scale. The official value of the exports this year was 46,245,241*l.*; and that of the imports 69,691,301*l.*, including not less than 61,140,864*l.* for British and Irish produce and manufactures, the real value of which, however, was estimated at only 37,927,561*l.*, indicating a still lower state of prices than in the preceding year. The real value of the exports to the United States was now 6,132,346*l.*

1831.—The continued high price of food had produced serious disturbances among the agricultural labourers in various districts of the country, which lasted through the winter of 1830-31. A spring of no marked character was terminated in May by a frost of very unusual severity for that season of the year, and the wheat crop was supposed to have sustained great injury from that cause. During the summer the weather was rather wet, and throughout the harvest complaints were general that considerable mischief had been done by mildew and in other ways. In February the average price of wheat had risen to 71*s. 10d.*; and, although the large importations from abroad kept down the markets, it was still 61*s. 11d.* in August. It was soon found, however, that the crop, inferior as it was in quality, was not so deficient in quantity as had been supposed, and that there was a stock in hand more than sufficient to last till the next harvest. "As the impression to this effect gained ground," says Mr. Tooke, "the markets gave way."

and the inferiority of the wheat operated not only in depressing the averages, but in deterring speculation, the quality being of a description unfit to hold over, at the risk of coming into competition with a new crop of better quality."^{*} In these circumstances the average price of wheat fell by the end of the year to 58*s.* 3*d.* The official value of the imports this year rose to 49,713,889*l.*, and that of the exports was 71,429,004*l.*; but of the latter sum the British and Irish produce and manufactures amounted only to 60,683,933*l.*, the real value being only 36,839,738*l.*, an appreciation again indicating the continued fall of prices. To the United States the imports of home produce and manufactures this year amounted to 9,053,583*l.*; but those to Central and South America fell off, as compared with the last year, from 5,188,562*l.* to 3,615,969*l.*

1832.—The prices of grain continued pretty steady throughout the early part of 1832, with a tendency to rise, produced by some slightly unfavourable appearances in the weather on one or two occasions; but the harvest proved abundant, and then the average price of wheat, which had been 61*s.* 5*d.* in July, began to descend, and by October had fallen to 51*s.* In December it was 52*s.* 6*d.* A considerable increase in the importations from Ireland, as compared with those of the two last years, had also assisted in producing this result. On the whole, in the five years ending with 1832, the quantity of foreign and colonial wheat and flour admitted for home consumption had been not less than 5,725,221 quarters; and the quantity of foreign and colonial grain of all descriptions and meal had been 8,894,424 quarters. Yet the average price of wheat during these years had been as high as 61*s.* 2½*d.* per Winchester quarter, or per imperial quarter 63*s.* 2½*d.*[†] Mr. Tooke has collected a number of important facts, which prove the low and continually descending prices of commodities generally throughout these same five years. From a table which he gives of "some of the principal instances of the greatest depression," it appears that in 1828, tin in bars was at 73*s.* 10*d.* per ton; that in 1828-9 bowed Georgia cotton was at from 5½*d.* to 6½*d.* per lb.; that in 1829 St. Domingo coffee was at from 31*s.* to 33*s.* per cwt.; that in 1831 Virginia tobacco was at from 2½*d.* to 6*d.* per lb., white Havannah sugar at from 26*s.* to 34*s.* per cwt., British copper in eakes at

* History of Prices, ii. 202.

[†] Id. pp. 204-5.

from 8*l.* to 8*l.* per ton ; that in 1832 indigo (East India superior) was at from 4*s.* 10*d.* to 6*s.* per lb., and British lead, in pigs, at 12*l.* 10*s.* per ton. In 1832-3 British iron, in pigs, fell to from 4*l.* 10*s.* to 5*l.* 5*s.* per ton. "Many other articles," it is added, "such as wool, silk, flax, tallow, likewise experienced their greatest depression at different periods in this interval, while corn was at a high range."* In all these cases the low price was the consequence of a supply exceeding what had been previously realized or anticipated. "Thus," says Mr. Tooke, "cotton, of which it was supposed, at different stages of its fall for some years before, that the supply could not be kept up without an advance of price, continued to increase in quantity at less than half of what had been then said to be its lowest cost of production. The same, although not in so great a degree, was the case with silk and flax. Of indigo, the stock on hand had accumulated, at the close of 1830, to an extent much beyond the estimated rate of consumption. The increase of supplies of coffee from Java, Brazil, and St. Domingo, till the close of 1830, was on such a scale as greatly to outrun the rapidly increasing consumption of Europe The fall in sugar and other colonial produce was fully accounted for on similar grounds. Of iron, it is notorious that during the interval under consideration, the extension of furnaces, and the application of increased powers of machinery, had caused such an augmentation of supply as had greatly outrun an increasing rate of consumption. In the case of lead, tin, and copper, there was not only an increase in the produce of our own mines, by the application of increased power and improved processes, but a competition in the export trade with foreign sources of supply ; for instance, lead from Spain, tin from Banca, and copper, not only from Russia, but from South America and Cuba."† The greater part of this period was, in consequence, a time of great pressure among the importers, the manufacturers, and the mining interests ; and another branch of business that suffered severely was the private East India trade. The bankruptcy of the great House of Fairlie, Ferguson, and Co. at Calcutta, which occurred early in 1830, was followed in the course of a short time by the fall of four or five more of the principal banking and commercial establishments of that city. It is said that the amount of the liabilities of the houses which failed at Calcutta between 1830.

* *History of Prices*, ii. 210.

+ 12. p. 212.

and 1832 was not much under fifteen millions sterling. In a few instances, the India houses also brought down their immediate connexions in England; but, after all, the effect was not felt in this country to an extent corresponding with the enormous scale upon which the business of the Calcutta establishments had been conducted. In this year 1832 the total official value of the imports fell again to 44,586,741*l.*; while that of the exports rose to 75,071,571*l.*, of which the British and Irish produce and manufactures amounted to 65,026,702*l.* But, although the quantity of such produce and manufactures exported was thus actually a twelfth greater than in the preceding year, the real value, such had been the continued decline of prices, was considerably less, being only 36,133,098*l.* The principal difference in other respects between the two years was, that the exports to the United States this year amounted only to 5,468,272*l.*

1833.—An open and wet winter had been followed this year by a wet spring and a very hot summer, which gave rise to some apprehensions that the drought, after parching and thinning the growing corn, might be succeeded by heavy rains to injure it still more during the season of ripening and gathering in. At the same time a committee of the House of Commons which on the complaints of the farmers and landlords had been appointed early in the year to inquire into the state of agriculture, produced a report which laboured to show that the cultivation of land was diminishing, and that the quantity of corn produced at home would probably be found insufficient for the consumption of the country. But these causes had only a very temporary effect in arresting the fall of prices. The average price of the quarter of wheat, which was 51*s.* 1*d.* in January, and 51*s.* 6*d.* in June, rose to 53*s.* 2*d.* in July, and to 53*s.* 5*d.* in August; but, after the harvest was got in and the crops were found to yield well, it fell again to 50*s.* 4*d.* in October, and to 47*s.* 1*d.* in December. Meanwhile, the prices of most other commodities, according to what usually happens, had begun steadily to recover from the extreme point of depression to which they had been brought down by the progressive decline of the preceding five years. A large mass of important information was collected by another committee of the House of Commons appointed this year to inquire into the state of manufactures, commerce, and shipping; and from the examinations taken by this committee, to quote the summary of the Historian of Prices, "instead of general distress

in the trading community, bordering on universal insolvency, which might be inferred from the statements of the movers for the committee in the House of Commons, it came out, on evidence the most unquestionable, that the trade and manufactures of the country were in a remarkably sound and healthy state; that they were carried on with adequate capital and reasonable returns; and that there was a general confidence in the prospect of improving markets for all the great staple articles, both of export and import."* The only evidence of an opposite character was given by persons in the iron and the brass foundry trades, by those connected with some particular branches of manufactures, and by others belonging to the shipping interest. The iron trade, in consequence of superabundant production, was undoubtedly, as has been seen, in a state of great depression at the close of 1832; but even here, the supply having been reduced, prices were already in the spring of the present year beginning to improve. "Of the few other witnesses in particular branches of manufacture," as Mr. Tooke observes, "the evidence was chiefly of the inadequateness of the returns in their own business, but affording no presumption of means of information of the general state of even their own peculiar branch of industry."† Upon the subject of the evidence given by the ship-owners, whose object was to attribute all sorts of mischief to the late Reciprocity of Duties Act, we may refer to a detailed examination of its allegations and conclusions which we had occasion to lay before the public shortly after the appearance of the committee's report, and which will be found completely to bear out Mr. Tooke's assertion that the statements of the witnesses purporting to show that the business of ship-owning had constantly since the war been carried on at a loss "were and are perfectly fallacious."‡ Both this report and that on the state of agriculture, moreover, proved that all classes of the working population, with the exception only of the hand-loom weavers, were at this date in the enjoyment of a degree of comfort, the result of the combined influence of plenty of employment and moderate prices of food and other articles of consumption, such as they certainly had not experienced since the close of the war, unless perhaps during only the years 1821 and 1822. The total official value of the imports this year was 45,952,551l.; that of

* *History of Prices*, ii. 242.

† *Ibid.* p. 248.

‡ See article on "The Shipping Interest" in *Companion to the Newspaper*, No. xiv. (Feb. 1834), pp. 4-12.

the exports rose to 79,823,092*l.*, including British and Irish produce and manufactures to the amount of 69,989,339*l.* And of the latter quantity of goods the real value is now set down at 39,331,413*l.*, an appreciation which will be found to indicate no longer any diminution of prices, but rather a rise, as compared with the preceding year. The real value of the exports to the United States had now also risen again to 7,579,699*l.*

1834.—This season was in most respects very similar to the last. Another mild and open winter was followed by a forward spring and a hot summer, and the crops were well got in and proved remarkably productive. Accordingly, although barley and oats, beans and peas, had been somewhat affected by the dry weather of the early part of the summer, and maintained a higher relative range than usual, wheat continued to decline progressively throughout the year, till the average price had fallen by December to 39*s.* 6*d.*, which was a lower point than it had reached since the end of 1822. Nor did the prices of other commodities in general manifest as yet any decided tendency to rise. There had been a speculative advance in the prices of colonial produce in the spring of 1833, but it was not maintained; and throughout the remainder of that year and the whole of this the markets for goods were at no time either decidedly excited or depressed. "The main feature of those years," says Mr. Tooke, "was, that, while the prices of provisions were falling, in consequence of the abundance of the harvest outrunning the utmost increase, great as that was, of the consumption, such was the extension of demand for the great staple articles of manufacture both for the home and foreign trade, that, large beyond precedent as had been the importations of cotton, silk, flax, and wool, the stocks of these raw materials in the hands of the dealers and manufacturers, instead of accumulating, were undergoing a progressive reduction. Among the greater number of the manufacturers the orders on hand exceeded what could be executed within the time prescribed. New mills were in the course of being constructed, but could not come into operation fast enough to meet the great and increasing demand for wrought goods. And, while this great activity was observable in the manufacturing districts, there arose a very brisk demand for the products of the mines. The greatest advance of price was in the article of lead. Copper and tin likewise experienced a considerable improvement; but the advance in iron was the most important, ~~as embracing~~

the largest amount of capital, and giving, next to coals, the greatest employment to labour. But, although the prices of raw materials, including the metals, experienced more or less of improvement in that interval, there was no such excitement in the market for goods as entailed anything like an apparent wildness of speculation. The advance of prices was in hardly any instance that can be pointed out greater than was fully warranted, on fair mercantile grounds of reasoning, by the reduction of stock. Nor were goods to any extent held speculatively. The immense arrivals, for instance, of cotton were sold and delivered to the manufacturers as fast as they came to hand. Such likewise was the case with silk, and most other of the raw materials.* The official value of the imports this year rose to 49,362,811*l.*; that of the exports to 85,393,586*l.*, of which the British and Irish produce and manufactures amounted to 73,831,550*l.* The real value of such produce and manufactures, however, was only 41,288,526*l.*, which would betoken a general state of prices, if there was any difference, rather lower than that of the preceding year. The greatest increase was in the exports to the south of Europe, which had in 1832 been only 5,686,949*l.*, and in 1833 only 6,298,200*l.*, and were now 8,501,141*l.*

1835.—The winter of 1834-5, and the spring and summer that followed, again bore a strong resemblance to the preceding two seasons, except only that three or four days of very heavy rains, accompanied by high winds, in the end of June, came and laid the crops to a great extent, and so completely that they scarcely anywhere afterwards recovered their upright position, notwithstanding the warm and dry weather that immediately returned and continued without further interruption till they were gathered in. But after all the harvest turned out at least an average one. “The crops,” says Mr. Tooke, “throughout the kingdom were secured in the best possible order, and fit for immediate use; and, coming thus early to market, they entailed a ruinous competition with the old wheats, of which the stock was unusually large, and in respect of which the holders began to despair of benefit by keeping any longer. Under these circumstances the markets naturally declined; and nothing can more clearly show the strength of capital still remaining among the farmers than that the pressure, and the conse-

* *History of Prices*, ii. 252.

quent decline of prices, were not greater than they proved to be."* The average price of wheat, after having fallen to 37*s.* 10*d.* in April, rose to 41*s.* in July, but had sunk again to 35*s.* 4*d.* by the end of the year, being little more than a fourth part of what it had been at the close of the last century, not so much as a fourth of its amount for some months in the first years of the present, and less than it had ever been since 1762, unless perhaps for a short time in 1779, in which year, however, the price at Lady-day, the price at Michaelmas, and the mean price for the year, were all somewhat beyond this average price for the month of December, 1835. The prices of other commodities, however, had now generally begun to manifest a decided tendency to ascend. Instead of over-production, insufficient production had now become the evil which excited apprehension. "Accordingly," says Mr. Tooke, "there was a general feeling of confidence in an eventual higher range of prices than had recently prevailed; and engagements were entered into for extended importations, whether by orders for purchases abroad, or by advances on consignments. The arrangements with this view were in either case attended with the lodging of credit to an unusual amount. And not only were credits to an unusual amount granted to shippers hither as well as to importers from hence, but they were also granted to several of the banking establishments abroad, in consideration of the commissions to be charged. The funds for those enlarged credits were in part supplied by outward shipments, and the increased demand hence arising contributed to the activity which was observable in all the principal branches of manufacture. But of those increased exports, a large proportion appears to have been on credit given by the shippers from this country to the importers abroad, and to those chiefly in the United States of America."† On the whole, Mr. Tooke is of opinion, that "with the exception of the partial unsoundness (which was afterwards discovered) connected with the undue enlargement of credit in some particular branches, the trade of the country may be considered to have been in a healthy and progressively prosperous state down to the close of 1835." "At the same time," he adds, "the manufacturing and mining interests were experiencing a degree and extent of prosperity perfectly unparalleled. In the cotton and silk and woollen manufactories, and in the iron and

{ * History of Prices, ii. 233.

† Id. p. 233.

other foundries, while the raw materials were abundantly supplied at only a moderate rise of prices, the demand for wrought goods was such, that, instead of working speculatively, a large proportion of the manufacturers had orders on hand to the utmost extent of their existing powers of machinery to supply; and it was said that in many instances orders were declined unless much more than the usual time were allowed for the execution of them."* A decided improvement had also taken place in the mining interests, especially in the lead and iron trades. Of lead, while the demand was increasing, the supply was falling off, owing to the diminished produce from the Spanish mines. Of iron, while it is believed that a considerable number of furnaces had been put out of blast between 1828 and 1833, a great increase in the consumption had in like manner been occasioned by the numerous railways that were in progress both in this country and in America; so that, although many of the furnaces that had been put out resumed their activity, and others were erected with improved machinery, prices continued to improve throughout the year. Moreover, what with the manufactories and the railroads together, the working population were in full employment at good wages; and their increased means of expenditure, with so low or moderate a state of the prices of food and of the other prime necessaries of life, were evinced in the progressive increase of the revenue. Still, down to the close of 1835, "the trade of the country," Mr. Tooke holds, "although in progress of considerable extension, exhibited no signs of undue excitement; and prices of commodities, although in many instances at advanced rates, were not in any striking instance under the influence of speculation." He afterwards notes that in the interval from 1833 to the close of 1835 there was a considerable extension of the system of joint-stock banking; and that some of the most considerable of the railway undertakings were already exciting some degree of speculation. The only instance, however, of violent excitement in these three years was, he states, in the foreign stock-exchange, "where, in the spring and summer of 1835, the market for Spanish bonds underwent extraordinary fluctuations, and caused ruinous losses to many individuals."^t The official value of the imports this year was only 48,911,542*l.*; but that of the exports rose to the vast amount

* *History of Prices*, ii. 254.

† *Id.* p. 257.

of 91,174,455*l.*, of which sum the value, thus calculated, of the British and Irish commodities exported formed 78,376,731*l.*. And the real value of this latter quantity of goods was estimated at 47,020,658*l.*, an appreciation indicating a very considerable general rise of prices. The real value of the exports of home produce and manufactures to the United States rose this year to 10,568,455*l.*, which was greater than it had been since 1815. In those also to British North America and the West Indies there was an increase from 4,351,093*l.* in 1834 to 5,345,698*l.* in this year.

1836.—In the first week of this year the average price of wheat fell to 34*s.* 11*d.* the Winchester, equivalent to 36*s.* the Imperial, quarter; but at this point the downward progress, which had been going on for more than five years, was at last arrested and reversed. The crop of 1835, though a fair one, had been inferior both in quantity and quality to the three preceding; there had been recently a large extra consumption not only from the increased numbers and better circumstances of the working people, but from cattle and pig feeding, and also from malting and distilling; there had been much less wheat sown in the autumn of 1835 than in the three preceding years; and finally it was the opinion of the best judges that the appearances of the growing crop were extremely unfavourable.* In these circumstances prices began to rise, till in June the monthly average of wheat per Winchester quarter was 48*s.* 11*d.* After this, very favourable and promising weather made the markets give way for a few weeks, and then a farther fall was produced by the first reports of the yield of the crops immediately after harvest; so that by October the monthly average price of wheat had declined again to 46*s.* 4*d.* It turned out, however, that over a great part of the country, in Scotland, and throughout the north of England, the crop had been very inferior to what it was in the southern and eastern counties; while at the same time accounts came representing the corn crops in the United States to have failed to such an extent that large supplies would be required from Europe. The consequence was that a sudden rise of prices took place in the two last months of the year, and that the average of wheat for December was 57*s.* 9*d.* per Winchester quarter, being an advance of no less than 70 per cent. upon the price of December 1835. This rise of the corn markets, as Mr.

* Tooke, ii. 231, 1836.

Tooke observes, "is the more remarkable, inasmuch as it occurred coincidently with a state of commercial discredit, and of great pressure on the money market." For the advance of prices in many leading descriptions of goods, that had been going on since 1833, had ere now produced the customary result. "In the early part of 1836," says Mr. Tooke, "it having appeared, by the usual returns at the close of the year, that the stocks of some articles had been reduced below the ordinary rate of consumption, a tendency to a speculative demand for them became perceptible, but not in a very marked degree. The articles that came more immediately under this description, were cotton, indigo, sugars, and silks; and an advance, greater or less, took place in each of these at different times till the summer of 1836. But, although in each of these articles there was a brisk demand, and consequent rise of markets, it was remarked at the time, that, as the demand was chiefly by the trade and for immediate manufacture or export, and as the advance did not appear to be greater than according to fair reasoning on mercantile grounds was perfectly legitimate, it could not with propriety be characterized as speculation or over-trading."* The supplies, however, that came in soon exceeded the demand; and then came a decline of prices, first slow and gradual, afterwards more precipitous. Meanwhile a great and sudden revolution had also taken place in the money market. It was towards the close of 1835 that the rapid extension of joint-stock banks first began to attract general attention, and that shares in these establishments also came to be a favourite mode of investment and of speculation. The shares of all, or nearly all, the banks formed or projected up to this date bore a premium. At the same time the success, now completely ascertained, of the Liverpool and Manchester railway, had won the public confidence, and raised the shares in the various other as yet untried schemes of the same nature. "The profits," to quote Mr. Tooke's account, "thus derived and realized, or admitting of being realized, by the subscribers to those undertakings, operated as an extraordinary excitement to this description of adventure. New lines were proposed to intersect almost every part of the kingdom, and there was actually a swarm of railway projects starting up in every direction. The rage for undertakings of this kind was at its height in

* *History of Prices*, ii. 264.

the spring of 1836, and numerous other projects for public companies were at the same time brought into notice. The most considerable of these were for mining purposes. And several of the projects proceeded on substantial grounds with fair prospects of success, along with many others that were absolutely worthless, and served only for the individual benefit of the projectors. But the good, bad, and indifferent, contributed to a general activity of the share markets."* In a speech delivered in the House of Commons on the 6th of May, Mr. Poulett Thomson (the late Lord Sydenham) then President of the Board of Trade, stated that he had some time before directed a register to be kept of the different joint-stock companies advertised in the London and a few country newspapers, and the amount of the nominal capital of each. The number of companies already noted down amounted to between 300 and 400, and their aggregate capital to nearly 200,000,000*l.* Among them Mr. Thomson particularized a company for making beet-root sugar, which he described as a sound speculation compared with some in the list; the British Agricultural Loan Company, with a capital of 2,000,000*l.*; a company for supplying pure spring water, capital 300,000*l.*; the Patent Steam-Paddle Company, capital 30,000*l.*; the Safety Cabriolet Company, capital 100,000*l.*; the British and American Intercourse Company, capital 2,000,000*l.*; the London Whale Fishery Company, capital 600,000*l.*; the Liverpool British and Foreign Trading Company, capital 250,000*l.* In this last and in some other instances the absurdity lay in part in the smallness of the sum proposed to be raised, for, as Mr. Thomson observed, "it is perfectly well known that it is not at all an unusual thing for an individual in Liverpool to embark 250,000*l.* in foreign trade; and there are many who have a great deal more engaged in that business." From the concurrence of the various causes that have been noticed, Mr. Tooke describes the spring of this year, 1836, as marked by "the display of a spirit of speculation, and of general excitement, which presented some resemblance to the spring of 1825, although far short of that period in extravagance, and attended with the important difference that, whereas in 1824-5 a considerable part of the speculations ran on investment in foreign loans and foreign mines, those of 1836 were chiefly, if not exclusively, directed to undertakings within

* History of Prices, ii. 276.

the United Kingdom."* The amount of bullion in the coffers of the Bank, which on the average of the three months before October 1833 had been 10,900,000*l.*, had fallen on the average of the quarter ending June 4th, 1835, to 6,150,000*l.* This reduction was attributed by Mr. Horsley Palmer, the new governor of the Bank, in a pamphlet published by him in 1837, to the effect of the loans to the governments of Portugal and Spain. "These loans," it is stated, "were going forward from July 1833 until towards the end of 1834, when the profits realized upon the daily extending engagements in the foreign stock market engendered a further spirit of speculation in almost every kind of previously neglected South American, Spanish, and Portuguese bonds, causing an enormous advance in all, and in some nearly 100 per cent. In short, until the spring of 1835, hardly a packet arrived from the Continent which did not come loaded with every sort of foreign securities for realization upon our foreign stock market."† The demand for bullion was at the same time increased by two other causes;—the first, the measures taken by the Government of the United States of America to establish a metallic currency throughout the Union; the second, the rapid increase of joint-stock banks in England and Ireland, no fewer than seventy-two of these establishments having been formed within the last two years in the former country, and ten in the latter, almost all of them having several branches. A reaction, however, took place in the foreign stock market in May 1835, and thereupon the drain on the Bank is stated to have immediately ceased; but it certainly was not till the autumn of that year that bullion began to show a decided tendency to flow back into the coffers of that establishment. The Bank, nevertheless, instead of contracting the circulation, went on increasing its securities, so that by the end of the year their amount was actually five millions greater than it had been in the month of August. And it was not till August in the present year, 1836, that the directors increased the rate of discount to five per cent. But even this measure was now found to be insufficient; and in aid of it, both all bills that were presented having an indorsement by joint-stock banks of issue were indiscriminately rejected, and "a large proportion of

* History of Prices, ii. 278.

† Causes and Consequences of the pressure on the Money Market, from the 1st October, 1833, to the 27th Dec. 1836; by J. Horsley Palmer, Esq., (quoted in Tooke's Hist. of Prices, ii. 282).

the immense amount of bills drawn from America on, and accepted by, several first-rate establishments in this country, were thrown out, without any regard to the circumstance that the acceptors were considered to be of the most unquestionable solidity."* Several of the joint-stock banks now fell into discredit, and began to stagger; and in November, the Agricultural and Commercial Bank in Ireland suspended its payments. At the same time, the Northern and Central Bank in Manchester (an establishment having about forty branches) found itself in such difficulties as to be only prevented from coming down by the assistance of the Bank of England. Meanwhile, the bullion in the coffers of the latter establishment, notwithstanding all the means that had been at last adopted to check its decrease, had again been rapidly diminishing: its amount, which on the 5th of April had been 7,801,000*l.*, had fallen by the 17th of November to 4,933,000*l.*, the decline having been uninterrupted during the seven months, and still continuing. By the 15th of December (the last return for the year), the amount had fallen to 4,545,000*l.* This was a fortnight after the determination had been taken to support the Northern and Central Bank; the continuance of the drain was chiefly occasioned by a demand for gold in Ireland; "still," adds Mr. Tooke, "with the exception of some failures in London, of no great extent, nor apparently originating in the immediate pressure of the money market, there had been thus far but little of commercial discredit."† As for prices, there was nothing like an extreme or general depression before the end of November; and even then the fall was confined to a few articles,—the most remarkable being tea, of which the importation had been large beyond all precedent; the others being chiefly sugars, cotton, silk, and flax, in regard to all of which the demand had been raised by a temporary scarcity, and naturally declined when that cause ceased. Besides corn, Mr. Tooke enumerates meat, butter, Irish provisions and bacon, oil, tallow, hemp, iron, copper, dye-woods, rum, besides many minor articles, as having been as high in November as they had been in the spring, and the greater part of them higher.‡ Such, then, was the state of things at the end of this year. The total official value of the imports for the year rose to 57,023,867*l.*; that of the total exports to 97,621,548*l.*; that of the British and Irish produce and manufactures alone to 85,229,837*l.*; all amounts far beyond

* Tooke, *List. of Prices*, ii. 303.

† Id. p. 306.

‡ Id. p. 209.

what had ever before been reached. The real value of the British and Irish produce exported is set down at 53,368,572*l.*, implying a considerable rise of prices in general upon the whole year, as compared with the last. Of this, to the amount of 12,425,605*l.* had been sent to the United States; 6,518,744*l.* to the British North American Colonies and the West Indies; 5,955,468*l.* to Central and South America. To Asia there had also been an increase from 5,456,116*l.* to 6,750,842*l.*

1837.—The winter of 1836-7 had been preceded by a wet autumn, which had delayed, and in some cases altogether prevented, the preparation of the ground for winter wheat; it was itself in the early part of it marked by considerable severity, in the form both of frost and snow; and it was followed by an ungenial and backward spring. Accordingly, although the prices of agricultural produce fell somewhat during the earlier part of the year, last crop having been found to yield better than had been reckoned upon, a rally took place as the spring advanced; and the average price of wheat, which had been 52*s.* 10*d.* in May, was 54*s.* 9*d.* in June, 55*s.* 4*d.* in July, and 57*s.* 5*d.* in August. After June, however, the weather became on the whole very favourable; the harvest proved both earlier, and, though not large, still more productive than had been anticipated. And, above 150,000 quarters of foreign wheat having been entered for home consumption (being the only such entry since 1832), a decline began, which went on to the end of the year; the average of wheat having fallen to 54*s.* 11*d.* in September, and to 51*s.* 3*d.* by December. Meanwhile another crisis in the money market had arrived, and been passed through. From the beginning of the year doubts had begun to prevail of “the adequateness of the resources of the principal houses in the American trade, vast as those resources were known to be, to meet the enormous, the extravagant extent of their engagements.”* By February the difficulties of those houses had become notorious, and in the beginning of March it was known that assistance from the Bank had been applied for, and given to three of them. By the 7th of February, the amount of bullion in the coffers of the Bank had fallen to 4,032,000*l.* The subsequent course of events cannot be better or more shortly related than in Mr. Tooke's own words:—“In January there had been a heavy failure in the silk trade. In February and March the difficulties of the

* Tooke, History of Prices, ii. 306.

American houses were exciting general attention, and a distrust of consequences. And, as it appeared, soon after the first assistance had been given, that further and almost indefinite advances on the part of the Bank would be required to carry the houses through their difficulties, a great and increasing anxiety prevailed on the subject among the commercial circles. The accounts from the United States of America, of great and increasing pressure on their money market, which rendered more precarious the prospect of the speedy liquidation of the sums due from thence to the embarrassed houses on this side, added to the gloom and apprehension prevailing here in the spring of that year. By the end of May, the embarrassed American houses were again driven to the necessity of applying to the Bank for further assistance; but, not having sufficient security to offer, and the previous advances already amounting to much more than had been contemplated, the application was, after much anxious deliberation on the part of the directors, finally refused. Upon the final rejection of the application, namely, on the 1st of June, 1837, the three great houses to whom the previous assistance had been granted suspended their payments. These were followed within a few days by other houses, chiefly in the same branch of trade, but on a smaller scale of engagements. The week immediately following the 1st of June, 1837, may be considered as that which is designated as the period of panic; and there was more or less of uneasiness and pressure through the remainder of the month. Thenceforward, or very soon after, there was an improved tone of commercial feeling. The great mass of doubtful paper and credit having been removed, or much reduced, the circulation was restored to a healthy state. Markets, being no longer supposed to be bolstered by undue credit, became buoyant for those articles which had been most under the influence of the previous discredit; and the general trade of the country had, by the autumn and in the closing months of 1837, revived to a considerable extent." "The influx of gold since last summer," Mr. Tooke concludes, writing in 1838, "has been more rapid than the previous efflux; and, as only a twelvemonth ago the Bank was encumbered with securities, and drained of its treasure, so it has recently become bare of securities, and its coffers overflowing."* The effect upon general prices during the pressure upon the money market had been, of course, greatest in

* History of Prices, ii. 388.

the case of those articles in which the American and other embarrassed houses were engaged. An unusually large importation of cotton was inevitably followed in the circumstances by forced sales and a fall of prices; and the failure of a great firm in the silk trade—described by Mr. Tooke as “a house which had been mainly instrumental in raising the price beyond the degree which the shortness of supply had warranted”—had a similar effect upon that article. On both cotton and silk, the fall at particular times in the spring and summer of this year, and for particular descriptions, is stated by the Historian of Prices to have been not less than 50 per cent. The other articles that experienced a marked decline were sugars, indigo, and iron, all of which had in like manner been previously raised by an exaggerated demand. “In some instances,” adds Mr. Tooke, “on former occasions of extensive over-trading, the manufacturers had participated in the speculation, so far as to overstock themselves with the raw material at high prices, and to be liable to severe loss upon the subsequent fall. Accordingly, in several memorable instances recorded of commercial convulsion, the manufacturers figured largely among the failures of those times. But in the recent instance the manufacturers of cotton and silk seem to have been particularly on their guard, and so distrustful of the high prices that they bought only what was strictly necessary to keep their mills from an absolute stand. Indeed, the same may be said of the manufacturers generally, the only exception that I am aware of, on an extensive scale, being those of Dundee, among whom there were very numerous failures in the course of the past year.”* The total official value of the imports for 1837 was 54,737,301*l.*; that of the exports was 85,781,649*l.*, of which the British and Irish produce and manufactures amounted to 72,548,047*l.* And the real value of such home produce and manufactures was declared to be only 42,069,245*l.*; † implying a great general fall of prices.

1838.—It eventually turned out that the crop of the last year, taken as a whole, “had not been equal in produce to the least productive of the five preceding seasons.”‡ The winter of 1837-8 was one of extraordinary rigour, and the spring that followed was cold and raw. In these circumstances the average price of the imperial quarter of wheat rose from 53*s.* 5*d.* in January to 55*s.* 5*d.* in February, and to 56*s.* 6*d.*

* *History of Prices*, ii. 272.

† *Companion to Almanac for 1840*, p. 175.

‡ *Tooke's History of Prices in 1836 &c 1839*, 2vo., London, 1840. ¶

in March ; and, although the weather in summer became moderately favourable, the low state of the stock in hand, the certain lateness of the harvest, and fears of a deficiency, maintained and continued the advance, till in August it reached 73*s.* 8*d.* For the week ending August 24th it was 77*s.* The duty having now fallen to 1*s.*, all the foreign wheat in bond, amounting to about 1,500,000 quarters, was entered at once for home consumption. At the same time the early crops were all got in in good condition, and the deficiency appeared to be rather less than had been apprehended. These causes produced a temporary reaction of the markets ; so that the average price of wheat for September was only 64*s.* 9*d.* But in all those parts of the kingdom where the crops were more backward, it was now found that they had suffered considerable injury, and were very deficient ; and in these circumstances, the rise recommenced, till in December the monthly average reached 77*s.* 7*d.* In the last week of the year it was 78*s.* 4*d.* Eventually, the wheat crop of 1838 proved to be the most deficient of any since 1816.* Mr. Tooke thinks that the quantity probably did not exceed two-thirds of the average of the three years 1832, 1833, and 1834 ; and that the deficiency, on the comparison with these years, may have amounted to four millions of quarters. Between the crops of 1834 and 1838 he conceives the difference must have been between seven and eight millions of quarters, or about half the entire quantity required for the consumption of the country. The markets of other commodities during the summer of this year were mostly in a dull or even drooping state. The prices of several articles of American and West Indian produce, which had bounded up at the close of the preceding year after the depression they had suffered in the earlier part of it, had maintained the elevation so acquired only for a very short time ; and Mr. Tooke describes the prevailing character of the markets for commodities (with the exception of corn) for most of this year as one of quietness, with only a tendency, towards its close, to an advance in the price of several other articles, as well as of corn, of which the supplies proved to be below expectation.† The year, however, was one of great trade. The total official value of the imports for 1838 rose to 61,268,320*l.*; that of the exports to 105,170,549*l.*, including British and Irish produce and manufacture to the amount of 92,459,231*l.* But, while the increase in quantity over the last year was thus about 28 per cent., the

* Tooke, *History of Prices in 1838 & 1839*, pp. 12, 13. † Id. p. 55.

real value of these goods of domestic growth and fabrication was declared to be only 50,060,970*l.*, being an increase of little more than 19 per cent. The general fall of prices, therefore, upon the whole of the one year, as compared with the other, had been very considerable.

1839.—Although the winter of 1838-9 was not characterized by any unusual severity, the spring that followed was as uncongenial and backward as the last. In the second week of January the average price of the imperial quarter of wheat had attained to 8*s.* 6*d.*; and, although from this point some extremely inclement weather about the middle of a fall commenced which brought it down by April to 7*s.* 1*d.*, May again produced a slight temporary advance. The low duty, however, liberated a large amount of foreign grain; between September 1838 and July 5th, 1839, the whole quantity entered for home consumption was about 3,300,000 quarters; this again produced a slight depression during the months of June and July; then came rainy and unsettled weather in the latter part of July and throughout August, upon which the average for August rose to 7*s.* 8*d.*; but, when the crop was got in, the yield was generally considered to be upon the whole equal to that of the last, while probably the breadth sown was increased by above a twentieth; at the same time the high prices released more flour and wheat from bond; and the consequence was that a decline now commenced, which made the monthly average for October 6*s.* 4*d.*, and for November, 6*s.* 7*d.* For December it was 6*s.* 11*d.* The fall of the average, however, Mr. Tooke affirms was principally produced by the extreme inferiority of the condition of the wheat.* Meanwhile the money market had again experienced no small pressure and derangement. The large payments for the foreign supplies of corn (amounting in the two years to about ten millions sterling) had of course depressed the exchanges; and we were at the same time farther embarrassed by the state of our financial and commercial relations with the United States of America, and also by the state of credit on the continent of Europe. We must refer to Mr. Tooke's pages for a detailed exposition of the nature and operation of these causes; it is sufficient to state here that he explains the relations with the United States as consisting in our over-importation of American state, bank, and joint-stock company securities, and the peculiar circumstances of the cotton trade as acted upon by the extravagant and

* History of Prices in 1838 and 1839, p. 15. ..

justifiable advances of the United States Bank to the planters; and the unsound state of credit on the Continent as having originated chiefly in the extent to which the system of joint-stock banking had been carried in France and Belgium, and in a general spirit of speculation and over-trading which had prevailed for some time in both these countries.* The effect was a continued drain upon the Bank of England, which reduced the treasure in the coffers of that establishment, first slowly from 10,126,000*l.* on the 3rd of April, 1838, to 7,073,000*l.* on the 2nd of April, 1839—and then rapidly from that amount to 2,522,000*l.* on the 15th of October following. On the 16th of May the directors raised the rate of discount to 5 per cent., and on the 20th of June to 5½ per cent.; the intimation which was issued on the latter day as to further advances likewise stating that such advances would be made on bills of exchange only—to the exclusion of exchequer bills and all the other usual securities. The drain still going on, on the 13th of July a notice was issued by the Bank of its being ready to receive tenders on the 17th for the purchase of the annuities called the Dead Weight, either in money or in the 3 or 3½ per cent. stocks. But nothing came of this; and about a week after it transpired that an arrangement had been made with twelve banking-houses in Paris, by which they consented to be drawn upon to the extent of 2,000,000*l.* sterling for account of the Bank of England. Finally, on the 1st of August the rate of discount was raised to 6 per cent. These measures, whatever objections may have been made to them on other grounds, had at least the effect of saving the country from the catastrophe of a suspension of cash payments, which for a time seemed so threatening: the lowest amount to which the bullion in the possession of the Bank was actually reduced is believed to have been 2,300,000*l.*; but by the 12th of November it had risen again to 2,545,000*l.*; by the 12th of December it was 2,887,000*l.*; and by the 7th of January, 1840, it was 3,454,000*l.* By this date, also, the Bank paper in circulation had been reduced to 16,366,000*l.* from 19,665,000*l.*, which it had been on the 18th of September, 1838; and from 18,049,000*l.* which had been its amount so lately as on the preceding 23rd of July, when the amount of bullion was very little larger than now. Mr. Tooke has examined the state of prices throughout this monetary crisis with his usual knowledge and full command of all the facts and circumstances of the case.† We cannot follow him

* History of Prices in 1838 & 1839, pp. 78—71. † Id. pp. 38—51.

particulars, but his general statement is, that "the sets for produce in the summer of 1839 (subject only to usual oscillation incidental to the supply and consumption of most articles of raw produce), after having maintained a remarkably steady tendency to advance coincidently with a progressive though slow reduction in the amount of circulation, and with a very decided and unusual increase in the rate of interest and discount, were, with exceptions not worth mentioning, at a higher range of prices than they had been at the corresponding time of the preceding year." Mr. Tooke denies that the decline in the price of cotton which took place after the early part of the spring is to be attributed to "the putting on the screw" by the Bank of England. "In point of fact," he observes, "the decline in the price of cotton began before any advance in the rate of interest by the Bank, and for a very sufficient reason, namely, the manufacturers, finding that the stocks of yarn and cotton goods had, in consequence of the great additional labour which had been applied, by the erection of new mills in 1836, 1837, and 1838, outrun the consumption, very naturally, and as they would and must have done in their own trade, even if the utmost facility in the money market had failed, determined to work short time." In this way, adds, "they succeeded in tiding over the effects of the deficiency of the cotton crop of 1838," and were enabled, upon the return of abundant supplies at moderate prices, to train for resuming full work, with the restored prospect of steady trade." The official value of the imports this year was 62,004,000*l.*; that of the exports was 110,198,716*l.*, including British and Irish produce and manufactures to the extent of 97,402,726*l.*, of which the real value was declared to be 53,233,580*l.* This would indicate that, upon a comparison of the whole of the present year with the last, prices have slightly risen.

The territory under the government of the East India Company was increased by the acquisition in 1800 of his dominion of Mysore from the Nizam, in 1801 of the Carnatic, in 1802 of the Nabob of Arcot, and of Rohilkund and the Dooab, in 1803 of the Subahdar of Oude, in 1804 of part of Bundelkund and the Peishwa, in 1805 of Cuttack and Halasore from the Raja of Berar, in 1806 of Delhi and other possessions from the Sultan Rao Scindiah, in 1807 of part of Guzerat from the Paganomar. The state of the Indian trade during the earlier part of the present century may be collected from the following tables:

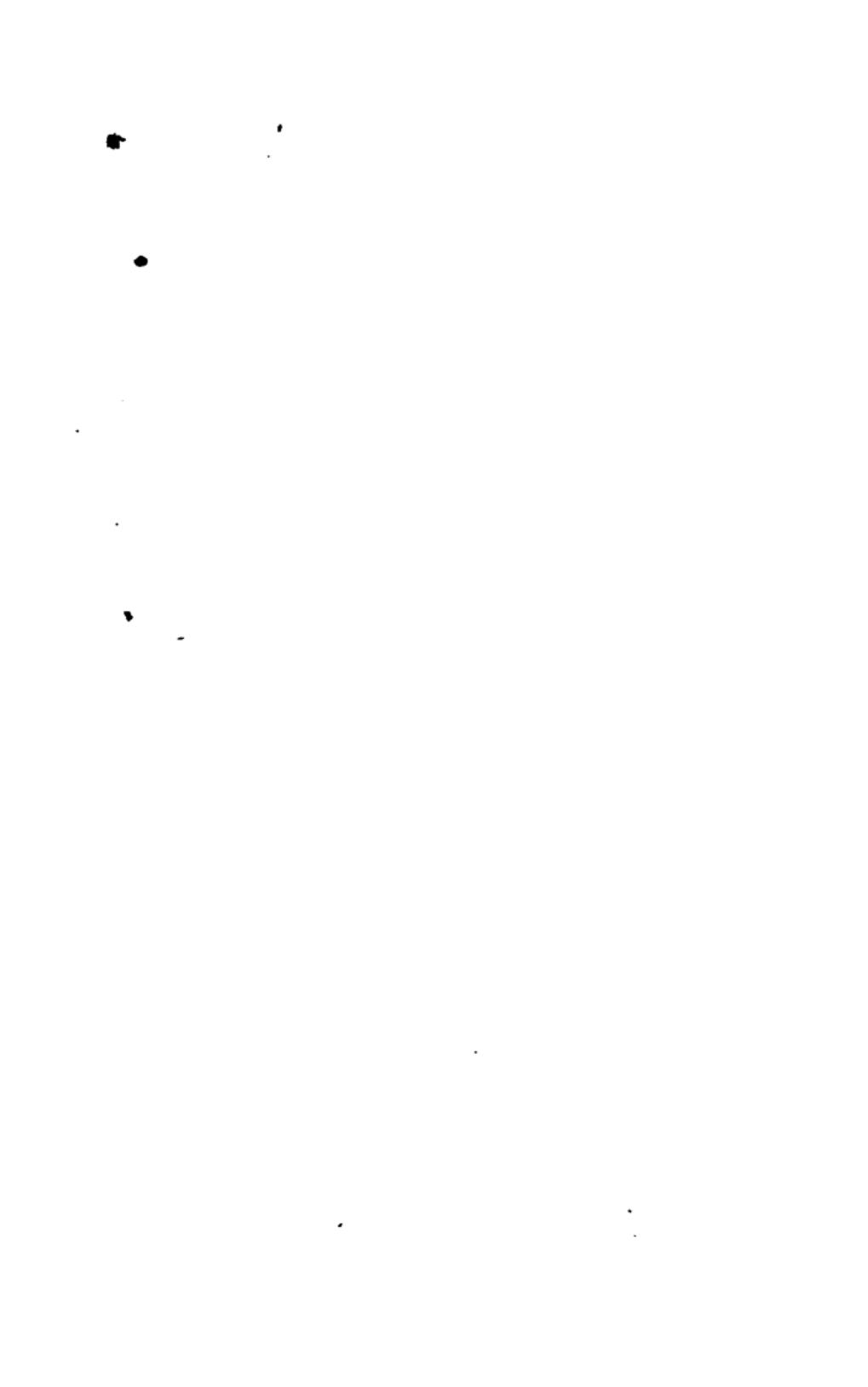
pany was 49 in 1800, 39 in 1801, and in the nine succeeding years ranged between 46 and 55. The value of merchandize exported by the company was 1,702,810*l.* in 1800, 2,116,812*l.* in 1802, 1,825,689*l.* in 1804, 2,045,527*l.* in 1807, 1,876,872*l.* in 1810. But large quantities of bullion were also sent out in some of these years, especially in 1802 and 1804, in which last year the amount was 1,933,538*l.* No bullion was sent out after 1807. The entire value of the imports from India was 10,323,452*l.* in 1800; but, as it never had been quite so large before (though it was very nearly so both in 1798 and 1799), so it has never reached the same amount again. It was 8,237,035*l.* in 1809, and 9,572,358*l.* in 1810. Of these sums the goods belonging to the company formed 7,602,041*l.* in 1800, and only 5,977,058*l.* in 1810. Meanwhile the portion of the imports belonging to the private trade, carried on by permission of the company, had been 2,382,092*l.* in 1800, 3,512,375*l.* in 1802, 1,916,101*l.* in 1809, and was 3,259,900*l.* in 1810. In the four years from 1811 to 1814 inclusive, the average annual exports of the company amounted to 2,145,365*l.*; namely, to India 1,119,514*l.*, to China 1,025,851*l.* The company's charter was renewed for twenty years in 1813 by the act 53 Geo. III., c. 155, by which the trade to India was thrown open, and only that to China left in the exclusive possession of the company. Further additions of territory were acquired in 1815 from the Rajah of Nepaul, in 1817 from the Peishwa and the Guicomar, in 1818 from the Peishwa, Dowlut Rao Scindia, and Holkar, and in 1826 from the Burmese. From the date of the renewal of the charter the annual exports to India by private traders far exceeded those of the company. In 1814 those of the company amounted to 826,558*l.*, those by private traders to 1,048,132*l.*; in 1816 the value of the company's exports was 633,546*l.*, that of those of the private traders 1,955,909*l.*; in 1819 the company's exports were 553,385*l.*, those of the private traders 3,018,779*l.*; in 1819 the company's were 760,508*l.*, those of the private traders 1,586,575*l.* In 1832 the value of the company's exports had fallen to 149,193*l.*, while that of the exports by private traders had increased to 3,601,093*l.* On the whole, however, the trade to India did not grow rapidly under the new arrangement: the total value of the exports thither, both by the company and by private traders, was 3,544,395*l.* in 1821, and was no more than 3,635,451*l.* in 1831, and no more than 3,750,286*l.* in 1832. The trade to China was also thrown open, and the powers and privileges

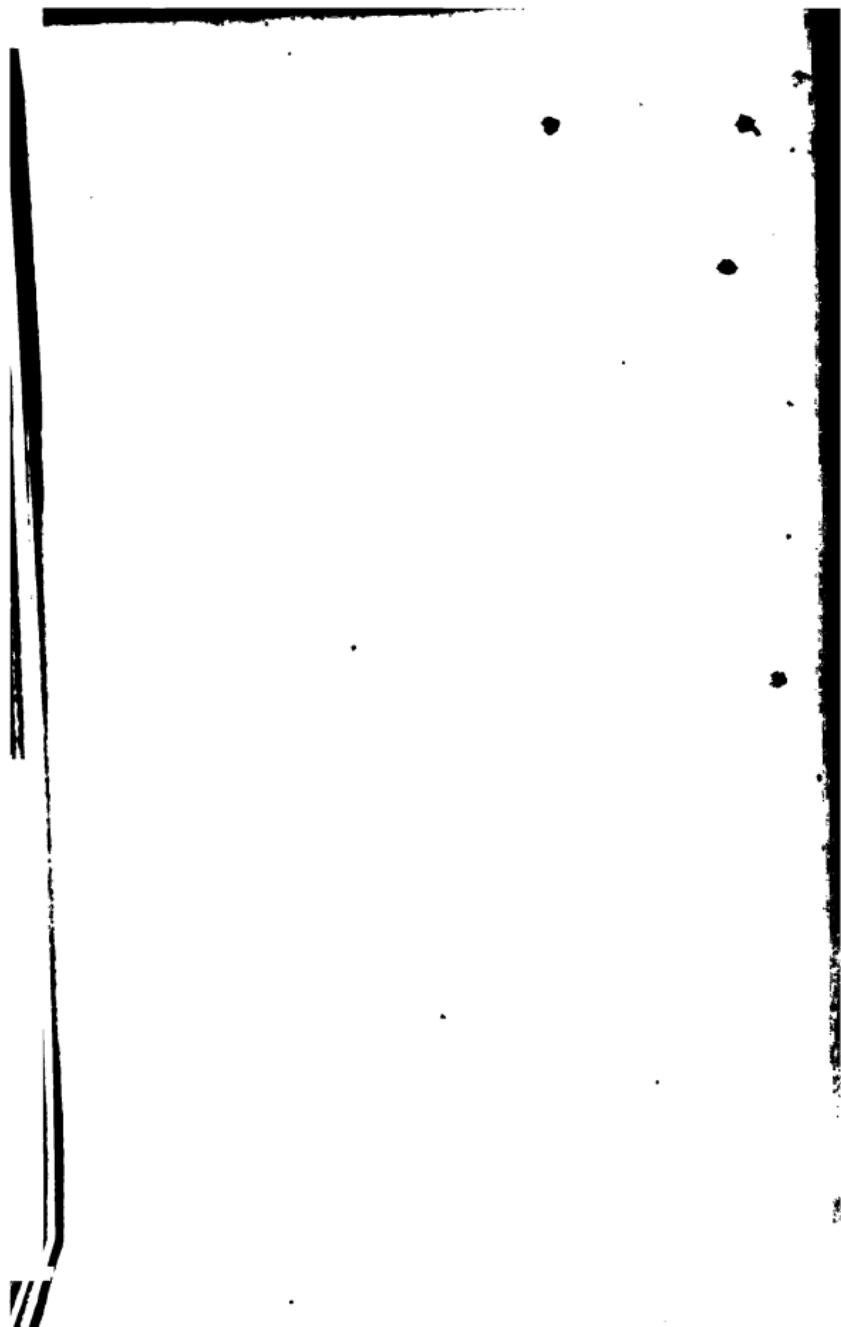
of the company as a commercial association entirely put an end to in 1833.

The preparations for the resumption of cash payments by the Bank in 1819 had been preceded by a complete reform both of the gold and silver coinage of the realm. It has been mentioned in the last Chapter, that in 1797, immediately after the suspension of payments in cash, the Bank, to assist in filling the vacuum in the circulation left by the disappearance of guineas, resorted, among other expedients, to an issue of Spanish dollars re-stamped with the king's head, which continued current till the end of October in that year. They passed for 4*s.* 9*d.* each. Afterwards the Bank coined dollars of its own, which passed for 5*s.*, till, in March, 1811, it was found necessary to recall them, and receive them back at the rate of 5*s.* 6*d.* A few months afterwards their place was supplied by an issue of three-shilling and eighteen-penny tokens, which continued in circulation till 1816. The increased value which had been attained by the Bank dollars was an evidence, and, in some degree, a measure of the depreciation which had been undergone by the regular silver coinage of the country. That coinage, indeed, many of the pieces of which that still continued in circulation were of the reigns of the first and second Georges, and were worn to little more than half their original thickness, besides having become crooked and shapeless, and lost all trace of the impression they had once borne, was reduced to such a state as imperatively to demand its suppression. It appears that whatever new shillings and sixpences had been coined from time to time had disappeared as soon as they were issued, having been converted into bullion, in which state they were more valuable than in the shape of coin. This was the consequence of the principle that had been adopted in regard to the coinage of silver, of returning to all who brought that metal to the Mint to be converted into coin a quantity of coin equal in weight to the quantity of standard silver received from them, the expense of the coining being borne by the public. In the reformation of the coinage which was at length determined upon in 1816 (on the report of a committee of council which had been appointed so long ago as in February 1798), it was resolved to abandon this principle and practice, to make gold and not silver the legal standard coin of the realm, and, by coining the pound troy weight of silver into sixty-six instead of only sixty-two *hillings* as heretofore, to subject the coinage of that metal to *ch a seignorage* as would tend for the future to keep the

king's money out of the melting-pot. It was arranged also that gold (upon which no seignorage was to be imposed) should no longer be coined into guineas (or pieces of the value of twenty-one shillings), half guineas, and seven-shilling pieces, but into the new denominations of sovereigns (corresponding in value to the nominal money pound of twenty shillings) and half sovereigns. All the old silver was accordingly called in and exchanged for the new money in February 1817; and the new sovereigns and half sovereigns were issued in July of the same year. Finally, in 1819, by the act 59 Geo. III., c. 49, all the old prohibitions against the exportation of the coinage of the realm (which had long proved quite inefficient for their professed purpose, and only a source of annoyance) were repealed, and it was declared that both gold and silver coins might be freely both exported and imported, not only without payment of any duty, but even without being either reported or entered at the Custom-house. Scarcely any silver had been coined at the Mint for many years before 1816; the quantity coined in that year amounted to 1,805,251*l.*; that coined in 1817 to 2,436,297*l.*; that coined in 1818 to 576,279*l.*; that coined in 1819 to 1,267,272*l.*; making in all above 6,000,000*l.* in these four years; and there were further large coinages of silver almost in every year down to 1826 inclusive. There had been large coinages of gold in almost every year from 1790 to 1811 inclusive; the quantity of gold coined between 1790 and 1798 (both inclusive) amounted to above 17,000,000*l.*; and even in the next thirteen years, when there was no gold circulation at home, and the pieces were only wanted by the government for its foreign payments, gold was coined to the amount of between 4,000,000*l.* and 5,000,000*l.* more. There was no gold coinage in 1812, but in 1813 gold was coined to the amount of 519,722*l.* This was the last coinage of guineas. The first coinage of sovereigns, in 1817, amounted to 4,275,337*l.*; that of 1818 to 2,862,373*l.*; and gold has continued to be coined in large quantities almost every year since then. Fourpenny pieces of silver began to be coined in 1803.

THE END.







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